

SOUTH AFRICA

INVESTMENT CONFERENCE 2018

Accelerating Economic Growth by Building Partnerships





Introduction

Cyril Ramaphosa
President of South Africa

It is a special honour for me to welcome all delegates to the South Africa Investment Conference 2018.

This gathering brings together South African and international delegates to explore the many investment opportunities in Africa's most diverse and advanced economy as it enters a new era of inclusive and sustainable growth.

We firmly believe that it is through building partnerships that we can achieve greater growth and development. Over the course of this conference you will hear from South African companies and some of our international partners

on how investing in this vibrant and innovative market has produced sustained returns.

The South African government, business community and organised labour are working together to build an inclusive economy, strengthen democracy and respond to the social and economic challenges that our country faces.

We are a thriving constitutional democracy with institutions that ensure our basic rights and freedoms are upheld. Through prudent fiscal management and sound monetary policies, we have maintained macroeconomic stability, which has allowed the economy to remain robust amid domestic and global challenges. Over the course of the last few months, we have taken decisive measures to remove regulatory blockages, ensure policy certainty, strengthen public institutions and restore consumer and investor confidence.

This conference aims to introduce investors from across the world to new investment frontiers in South Africa, including in agriculture, mining, renewable energy, oil and gas, tourism, infrastructure and the ocean economy.

Thank you for joining us on the threshold of a new dawn for our economy and our country. We look forward to building partnerships for growth and prosperity for all.

2 Investment in South Africa



Programme

Day 1: 25 OCT

1

16h00 Networking Cocktails

Venue: The Capital On the Park - 101 Katherine St, Sandown, Sandton, Gauteng, South Africa 2031
Arrival Time: 16:00 **Time:** 17:00 to 21:00
Dress Code: Smart Casual

2

17h00 Art Gallery Exhibition Opening Night

Venue: Berman Contemporary Art Gallery I11 Alice Lanel Sandton, 2196 **Arrival Time:** 17:00
Time: 18:00 **Dress Code:** Smart Casual

3

19h00 Theatre Night – Showcasing SA local talent (LIMITED SEATING)

SHOW NAME: FUNNY YOU SHOULD SAY THAT - starring Stuart Taylor and directed by Rob van Vuuren
Venue: A&G Theatre on the Square – Nelson Mandela Square Arrival **Time:** 19:00 **Show start time:** 20:15
Dress Code: Smart Casual



10h30 Tea Break



11h00 - 12h00 3 x Parallel Sessions A

Agriculture and agro-processing | Mining and minerals beneficiation | Manufacturing +



12h15 - 13h15 3 x Parallel Sessions B

Transport infrastructure | Energy Infrastructure | Water infrastructure +



13h15 Lunch

Afternoon Session



14h15 - 15h15 3 x Parallel Sessions C

ICT & Innovation | Tourism, BPO, Film | Venture Capital and Entrepreneurship +



15h15 Tea Break



15h45 - 16h30 South Africa tomorrow

Accelerating growth by building partnerships



16h40 The journey ahead

Way forward and closing +



17h00 Networking Cocktails

Evening Business Dinner



18h30 - 22h00 Business Dinner

Dress Code: Business Attire or Traditional Attire

Day 2: 26 OCT



Morning Session

07h00 Registration

Dress Code: Business Attire



08h30 Welcome

Official opening and welcome to the conference



09h00 Why South Africa?

Reasons to invest in SA +

- Experience of investing in SA, including competitive benefits, market growth, export opportunities including into rest of Africa
- Frank discussion on how to win against backdrop of opportunities and prospects



10h15 Investment announcements

- Highlights of recent and new investments
- Investment announcements

Day 3: 27 OCT

1

07h30 Fun Walk with HE President Ramaphosa

2

09h00 - 17h00 Bilateral meetings by arrangement

Venue: Hilton Hotel Rivonia Road, Sandton

10 Reasons to Invest - 3

01 – HOT EMERGING MARKET

Growing middle class, affluent consumer base, excellent returns on investment

02 – MOST DIVERSIFIED ECONOMY IN AFRICA

South Africa has the most industrialised economy in Africa. It is the regions principal manufacturing hub and a leading services destination.

03 – MOST MULTINATIONALS IN AFRICA

SA is the location of choice for multinationals in Africa. Global corporates reap the benefits of doing business in SA, which has a supportive and growing ecosystem as a hub for innovation, technology and fintech.

04 – PROGRESSIVE CONSTITUTION AND INDEPENDENT JUDICIARY

SA has a progressive Constitution and an independent Judiciary. It also has a mature and accessible legal system providing certainty and respect for the rule of law. The country is ranked number 1 in Africa for the protection of investment.

05 – FAVOURABLE MARKET ACCESS

The African Continent Free Trade Area (ACFTA) will boost intra-African trade and create a market of over 1 billion people with a GDP of \$1.2 trillion that can unlock industrial development. SA has several trade agreements as an export platform into global markets.

06 – ABUNDANT NATURAL RESOURCES

SA is endowed with an abundance of natural resources. It is the leading producer of Platinum Group Metals (PGMs) globally. Numerous listed mining companies operate in the country which also has world renowned underground mining expertise.

07 – ADVANCED FINANCIAL SERVICES AND BANKING

SA has a sophisticated banking sector with a major footprint in Africa. It is the continent's financial hub, with the JSE being the largest stock exchange by market capitalization.

08 – WORLD CLASS INFRASTRUCTURE AND LOGISTICS

Massive governmental investment programme in infrastructure development has been under way for several years. SA has the largest air, ports and logistics network in Africa, ranked no.1 in Africa in the World Banks Logistics Performance Index.

09 – YOUNG TRAINABLE LABOUR FORCE

SA has a number of world class universities and colleges producing a skilled, talented and capable work force. Diversified skills set, emerging talent, large pool of trainable labour and government support for training and development.

10 – EXCELLENT QUALITY OF LIFE

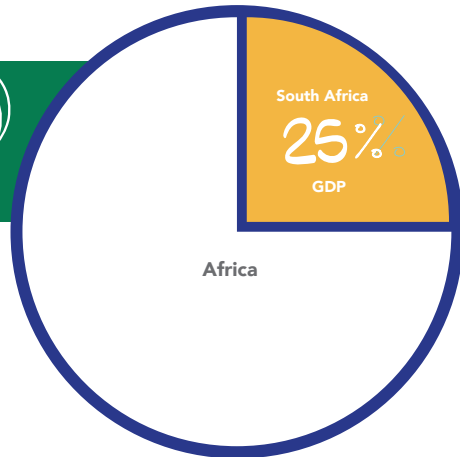
Favourable cost of living, diversified culture, cuisine and sports destination all year round with a world class hospitality sector.





A competitive destination - 4

- So many things about this great country are unknown – we are a competitive, dynamic and investor friendly destination.
- South Africa is one of the most sophisticated and promising emerging markets, offering quick and safe banking for example, with a vibrant emerging market economy.
- South Africa has one of the largest economies on the African continent, accounting for approximately 25% of the continent's GDP.



- South Africa has advanced financial markets infrastructure, with the Johannesburg Securities Exchange (JSE) being Africa's largest and most developed, and one of the world's top 20 exchanges.

Investment in South Africa 5

Ease of doing business – InvestSA



- South Africa is committed to creating an enabling environment for investment and trade.
- To that end the dti established InvestSA as one-stop facility to assist potential investors with the procedures required to meet regulatory requirements to grow the economy and create jobs.
- The InvestSA One Stop Shops bring together all government services in one place for prospective investors who want to set-up a business.
- It offers a streamlined registration, administrative and authorisation process to quickly get businesses off the ground.
- The aim of this initiative is to reduce red tape and improve the turnaround times for business approvals, permits and licences.



- InvestSA actively seeks out and removes bottlenecks faced by investors in establishing and running their businesses.
- Incentives and support services in the country's Special Economic Zones programme are available to potential investors.



An Economy ready to thrive

- South Africa's prudent fiscal management and monetary policies have given rise to macroeconomic stability.
- The country's sound financial system, highly regulated banking sector and world class infrastructure support investment.
- South Africa is a dynamic and stable economy with solid economic fundamentals.
- According to Ernst and Young's (EY) Attractiveness Report on Africa 2017 - South Africa remains the continent's leading FDI hub destination.
- President Cyril Ramaphosa has announced more data will be released for use with the regulator, ICASA now preparing to license available high demand spectrum.
- South Africa has changed immigration laws making it easier for skilled men and women to be hired in the country.
- The Mining Charter has been launched which has reduced uncertainty and will boost investment in the Sector



- Hint: It's about Jobs

How Investment Helps South Africans

- Government and its partners will work together to attract investment and create jobs



- Funds have already been reprioritized labour intensive jobs such as infrastructure development and local economic growth.



- Investments will help grow small business in the SME sector with the opportunities for increased cooperation between new investors and small business owners
- The blue economy is one of the areas of growth in South Africa and the country's crucial role in the Indian Ocean Rim Association makes it an attractive destination for investors

- The plan aims to generate R1.2 trillion in new investments over the next five years
- The big ideas involved new oil and gas exploration, as well as the green economy and tapping our vast ocean



for investment opportunities.

- When money moves into South Africa to fund factories and mines, that is called fixed investment which is our core focus.
- There are already R15.8 billion in the investment pipeline on various projects.
- The number of tourists traveling to South Africa rose to 2.7 million between January and March 2018.



- The financial institution Goldman Sachs has recently identified South Africa as one of the hot emerging markets for 2018.



South Africa is a thriving democracy



- South Africa's institutions of governance remain robust, and up to the task of advancing the interests of human development, freedom, transparency, and democracy.

- South Africa's legal and regulatory framework makes for good governance.
- The Constitution, the rule of law and social justice underpin our plans and fiscal policies.
- South Africa's Constitutional Democracy and Rule of Law continue to demonstrate high levels of resilience and maturity even for a young democracy. South Africa's Constitution is hailed by many as one of the most liberal and progressive in the world today. The country's, robust and free media keeps us informed and stimulates social inquiry and debate.
- The South African government is currently in the process of strengthening good governance models in all state-owned entities and government departments, to

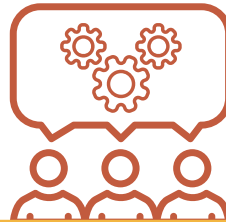
ensure that all state institutions adhere to practices of good governance and function optimally.

- The Open Budget Index ranks South Africa 3/102 countries – underlining high levels of transparency, and a public sector governance model that aims to ensure democratic accountability.
- The World Bank Ease of Doing Business Index indicates that South Africa ranks 22nd in the world for investor protection; According to Business Monitor International's Trade and Investment Risk Report (2017) – South Africa is at the forefront in terms of comparatively low levels of investment-related risks within the region.
- This low risk profile is linked to the performance of both private- and public sector institutions that create an enabling, low-risk environment.
- This means South Africa's sound institutional framework, built on the foundation of a Constitutional Democracy, positions the country positively and it is through the independence of institutions that the country is able to maintain business confidence.

How investment has worked in South Africa

- A number of international companies have already expanded their South African footprint including America's tech giants – Microsoft, Oracle, Google, IBM.
- But it's also the small tech start-ups that present an opportunity for international investors to seed disruptive technologies.
- Global automotive manufacturers Mercedes, General Motors, Ford, VW and Beijing Automobile International Corporation now have a greater presence in the country.
- Popular international brands such as Marriot Hotels, Starbucks, Dunkin Donuts, and Krispy Kreme have set up in the country.

- Aspen Pharmacare recently launched a R1 billion high containment manufacturing facility in Port Elizabeth which will create 500 new jobs.
- China also recently pledged R50-billion investment towards our industrialisation while our renewables sector has attracted R190 billion in investment.
- The UK has committed R858 million over the next four years to support our work of making the country more attractive to investors.
- Special Economic Zones, a dti initiative, provide competitive incentives, and extensive support to multinationals aiming to invest in South Africa.



- Investments in the research and development, innovation and technology private sector include
 - General Electric investing R500 million in a customer innovation centre in Gauteng;
 - General Electric's decision to invest a further R200 million to support South African SMMEs through technology transfer
 - BM investing R700 million over 10 years in ICT research and development;
- A R66 million investment by Cisco to increase the company's research and development activities in South Africa.





The 4th Industrial Revolution and Manufacturing



The technology sector is central in our efforts to transform into a knowledge-based economy and is an industrial sector in its own right.

- South Africa (SA) has the most industrialised economy in Africa. It is the region's principal manufacturing hub and a leading services destination.
- SA is the location of choice of multinationals in Africa. Global corporates reap the benefits of doing business in SA, which has a supportive and growing ecosystem as a hub for innovation, technology and fintech.

- The Fourth Industrial Revolution offers us the opportunity to leap frog our challenges in particular the manner in which we rollout information and service to our people.
- The explosion of technology and increased access to technology has also improved our chances of achieving the Sustainable Development Goals.



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documents relating to investment**

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