

# Coega readies for R11bn car manufacturing plant

The Coega Development Corporation (CDC) has begun work in clearing 54.62 hectares of land in Zone 1 of the Coega Industrial Development Zone (IDZ) near Port Elizabeth in preparation for Chinese vehicle manufacturer Beijing Automotive Group (BAIC) and South Africa's Industrial Development Corporation to build the R11-billion joint venture automotive manufacturing plant.



Aerial view of the earmarked BAIC site that has been cleared and is ready for construction to start. Construction on the site is planned to start in earnest late this year early next year.

Progress on site has seen several milestones achieved in preparation for the handover of the site to BAIC for the construction of the 85,000 sqm plant facility. Preparations for the BAIC factory are done in phases, with phase 1 comprising of geotechnical investigations, survey, search & rescue and lastly bush clearance.

Up to date, all the bush clearing activities have been completed having seen a sizeable number of SMMEs with specialised skills from the Eastern Cape benefiting from the bush clearing programme.

## Small, medium and micro enterprise development

CDC says that one of its objectives as an enabling agent for the socio-economic development in the Eastern Cape and the country at large is to empower and support SMMEs. "As part of our SMME programme, the CDC SMME Unit is tasked with the responsibility of unbundling packages of work for SMMEs. Up till this point, the CDC identified six SMMEs who benefited directly in the bush clearing phase," says Lamla Fihla, acting SMME unit head.

The appointment of SMMEs follows the CDC normal procurement processes. The SMMEs that were identified through the procurement process are - Vukujonge Trading, AmanziEthu Trading, Infra Force Africa, Loppsy Trading, April & Son, and Tshintshiwe Trading. All these SMMEs managed to deliver the work within agreed time and budget.

“This project could have been implemented by a single large and well-established construction company but it was awarded to six SMMEs with the objective of sharing and spreading opportunities as much as possible to many organisations,” says Dr Ayanda Vilakazi, CDC unit head marketing & communications.

The BAIC site is now fully cleared and ready for construction. It is important that the BAIC investment positions the Eastern Cape as an automotive hub of SA and has the potential of deepening the component supply chain, job creation and economic development for the province. More than 10,500 employment opportunities would be created by this investment throughout the value chain.

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