

COEGA WELCOMES NENE'S BUDGET SPEECH

Written by Tracy
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South Africa - The Coega Development Corporation (CDC) has welcomed government's budgetary commitment to special economic zones (SEZ) and the promotion of manufacturing to drive socio-economic growth, job creation, training and development, and the broadening of economic participation.

Finance Minister Nhlamhla Nene delivered his first Budget Speech in Parliament this week, where he made provisions of R3.5-billion for the implementation of the Special Economic Zones (SEZs) legislation and incentives associated with it; R10.2-billion for manufacturing development; and R2.7-billion under the Mineral Policy and Promotion programme, which would impact the level of foreign and domestic direct investment.

The SEZ regulations needs to be finalised speedily in order to ensure certainty of the funding model of the SEZ, especially regarding operational expenditure for infrastructure projects implementation, Coega urged.

"The R200-billion allocated to Project Mthombo, for the PetroSA planned oil refinery is a catalytic initiative and show's commitment to the project, which is mooted to unlock development and growth for the Eastern Cape," said Dr Ayanda Vilakazi, CDC head of marketing and communication. "However, the speed at which the project is being implemented remains a concern.

"In general, the budget supports our projections for job creation and real industrial development in the Eastern Cape."

Last week, CDC announced that it plans to create 20 198 jobs and will pursue training and skills development of 6 000 individuals in its new financial year which begins in March.

"CDC has achieved a 35% SMME participation target in all the service contracts it awards as

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the participation of emerging businesses,” he said. “The Budget Speech is positive for Coega and we look forward to leveraging its opportunities in the new SEZ context.”