



MEDIA RELEASE

South Africa Investment Conference is yielding positive results as government punts benefits of the Africa Continental Free Trade Area (AfCTA)

Johannesburg, 16th March 2022 – As South Africa gears to host one of the biggest annual investment gatherings - the South African Investment Conference (SAIC) – which spearheads government's investment initiatives held a business breakfast attended by business executives and Investment envoys representing various African states including representatives of the South African government.

The session served as a platform for government to engage, as well as brief its key stakeholders on progress made thus far on government's commitment to raise and inject R1.2 trillion worth of investments into the South African economy over a period of 5 years.

"South Africa remains an investment destination of choice" said Ambassador Sadick Jaffer who is the Chief Director: Investment Promotion in InvestSA, a division within the Department of Trade and Industry, South Africa.

"At the last SAIC held in Johannesburg in 2020, about 50 entities made new investment pledges to the value of R109 bn, bringing the 3-year total to 774 bn. Five of these projects, worth R4,3 bn have already been launched and 21 others are under construction or being rolled out – these are worth R34 bn," Jaffer reported.

"Of the 71 projects announced in 2019, 24 projects have been launched and an additional 25 projects worth R199.4 bn are under construction as we speak. In addition, 7 projects worth R45,6 bn and accounting for 12,5% of investments made in 2019 are in the early stages of implementation.

Against the backdrop of slow economic recovery exacerbated by a devastating Covid-19 pandemic which disrupted the global supply chain, our investment drive soldiered on.

“We adapted and adopted new ways of engaging with potential investors with one central message – South Africa remains an investment destination of choice,” Said Jaffer.

We also *can* report these figures because we don’t simply announce these investments, they are monitored until completion; this with the aim of identifying challenges timeously and assisting when required, Jaffer added.

Delivering his keynote address to the breakfast briefing, Presidential Investment envoy Honourable Jeff Radebe disclosed that South Africa’s strategic position within the Africa continental free trade area (AfCTA) placed it in good stead to benefit from opportunities presented by AfCTA.

“Africa offers investors access to a market of more than one billion people with a gross domestic product that exceeds \$2.6 trillion,” Radebe noted.

“Historic trade barriers are coming down and economic activities are increasingly conducted seamlessly across the continent. Africa is growing fast into an integrated investment destination,” .

At the root of the envisaged growth is the African Continental Free Trade Area (AfCFTA) which became a reality in January 2021. This trade bloc brings together 55 member states of the African Union. It aims to accelerate intra-continental trade and boost Africa’s standing in the global market.

“AfCFTA adds a new dimension to the 2022 Investment Conference,” Radebe added. “Now we can demonstrate the significant advantages of investing in the South African economy and how returns can be multiplied through access to a much larger market.

South Africa is an attractive destination for investors located outside of the continent. Many such companies also prefer to locate their regional headquarters here because of the access to quality infrastructure and connections to global supply networks.

Through our participation in AfCFTA, we have preferential access to African markets and a deep understanding of business conditions on the continent.”

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