

# Nedbank Capital Expenditure Project Listing



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Economics | South Africa



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# Some definitions & terminology

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## 1.1 What is fixed investment?

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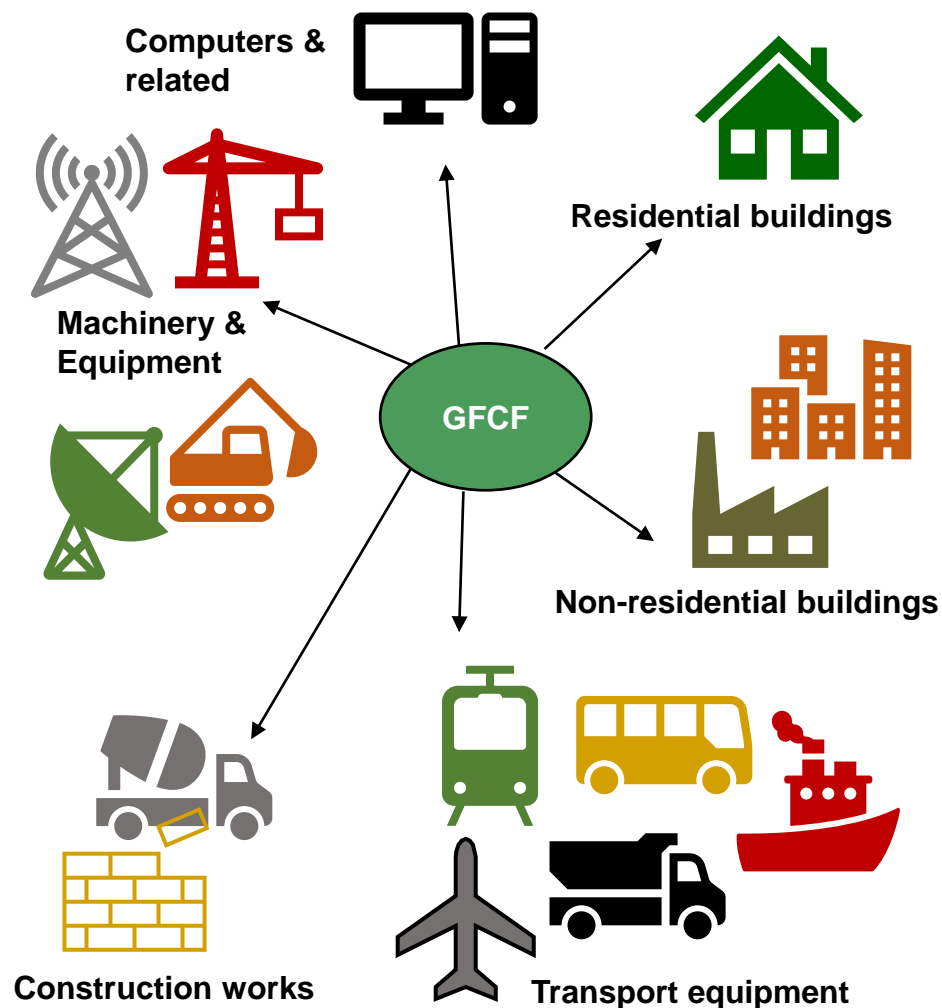
- Fixed investment is spending on physical assets such buildings, infrastructure, plant, machinery and equipment, which adds to production capacity.
- Fixed investment is a flow concept, consisting of additions to the capital stock of a firm, a public enterprise or government.
- It can take two forms:
  - ❖ Replacement investment maintains the existing capital stock, replacing depleted or fully depreciated assets.
  - ❖ Expansionary investment allows for the production of more goods and services. These are projects that increase production capacity, such as new plants or infrastructure and expansions to existing operations.
  - ❖ It is not easy to distinguish between these two types of investments. There are many grey areas. The overhaul or refurbishment of existing plants with new machinery and equipment more often than not expands capacity, enabling the production of more goods and services at a lower cost through the use of improved design, processes and technology.

# Some definitions & terminology

## 1.2 Data sources & details on the composition of fixed investment

- The official fixed investment figures are produced by **Statistics South Africa (Stats SA)**.
- Stats SA provides total fixed investment for SA, which is called **gross fixed capital formation (GFCF)**. (GFCF was previously referred to as gross domestic fixed investment or GDFI).
- Stats SA provides a breakdown of fixed investment by type of organisation and by type of asset.
- The institutional breakdown shows the capital outlays of the private sector, public corporations (also called state-owned enterprises) and general government.
- The asset breakdown shows which assets the above entities are investing in (see figure 1).
- The **South African Reserve Bank (SARB)** also provides valuable detail on the composition of fixed investment. It shows the breakdown of fixed investment by sector and the differentiation between gross and net capital formation. Unfortunately, both these data sets are only available on an annual basis.
- The SARB also provides annual data on the capital stock of the country by sector.

**Figure 1: The breakdown of fixed investment by asset**



# Some definitions & terminology

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## 1.3 What is Nedbank's Capital Expenditure Project Listing?

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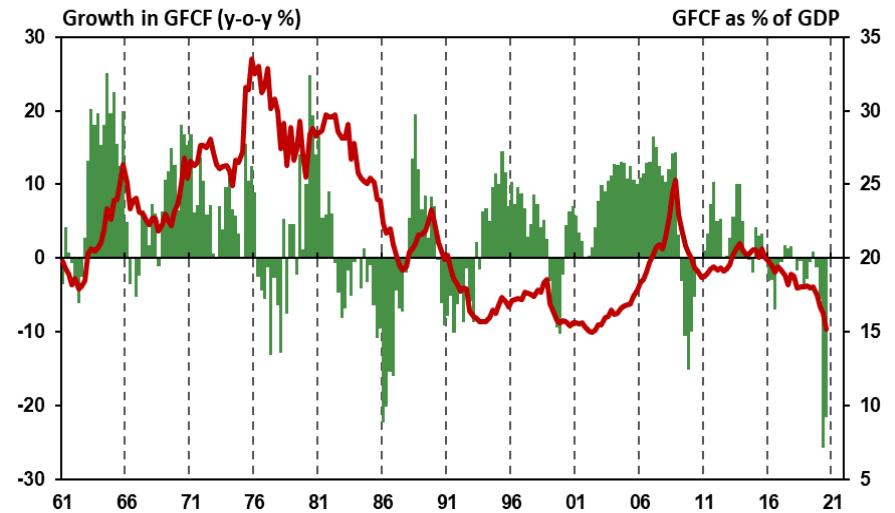
- Nedbank's schedule is a record of major capital projects undertaken within SA's borders.
- The schedule only includes projects that have been announced to the public. The information is gathered from a variety of sources, but the listing would not be possible without the valuable work done by **Engineering News and Mining Weekly**.
- The schedule tries to isolate and record **expansionary** projects, but also includes the automation or modernisation of existing capacity. These projects are included because they result in the production of more goods and services by improving the productivity of existing operations.
- Only projects of R20 million and above are included. The details of all projects over R250 million are verified directly with the company or institution undertaking the investment. This implies that the schedule does not always reflect changes to the scale, the value, starting and ending dates of the projects below this cut-off value.
- **Nedbank's project listing is not an approximation of the official fixed investment figures**, which records actual fixed investment spending in a quarter. The listing records **project announcements**. There is always a lag between when a project is announced and the spending starts. The schedule is a rough guide of the trajectory of fixed investment in the years ahead. It is also an useful guide to identify and track activity in the various industries.



## 1.1 Fixed investment stuck on a downward trend

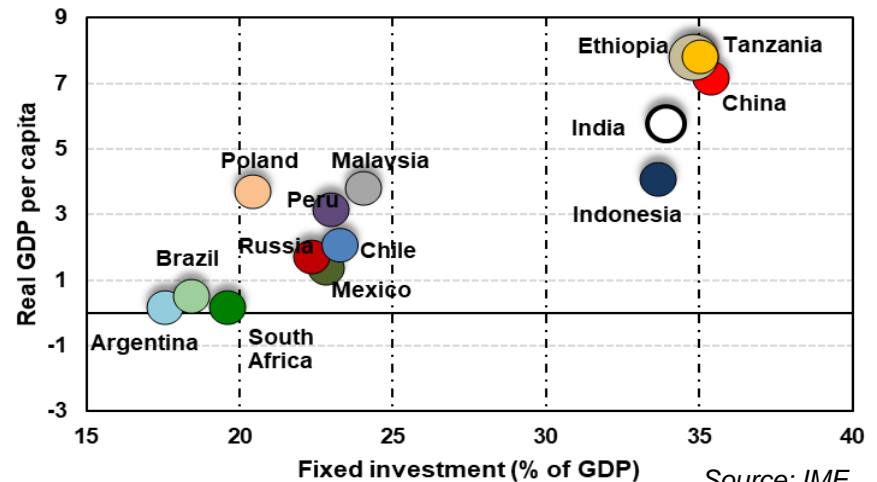
- Total fixed investment activity has been weak and patchy since the Global Financial Crisis of 2007/08. The downward trend intensified alarmingly from 2016 onwards. As a share of nominal GDP, fixed investment has fallen to critically low levels, down to 15%, which is similar to the troughs experienced towards the end of apartheid and after the emerging market crisis of 1997/98.
- Why does this matter? Fixed investment is a key driver of a country's potential growth rate. It not only impacts current performance, but also future growth rates. Numerous factors determine a country's performance over the short term, but the right combination of ideas, people and capital ultimately drives economic success and living standards in the long run. All three ingredients matter. Equipping people with capital - land, buildings, machinery and equipment - improves productivity, enabling the production of either more and/or better goods and services often at the same or reduced costs. There are limits to capital's transformative power. It is called the law of diminishing returns, which means that each additional rand invested provides a smaller boost to production. This is where ideas come into the picture. It allows countries to overcome the law of diminishing returns to ensure continuous improvements in living standards.

**Figure 2: GFCF has been trending down since 2012**



Source: SARB

**Figure 3: The relationship between growth & GFCF**



Source: IMF

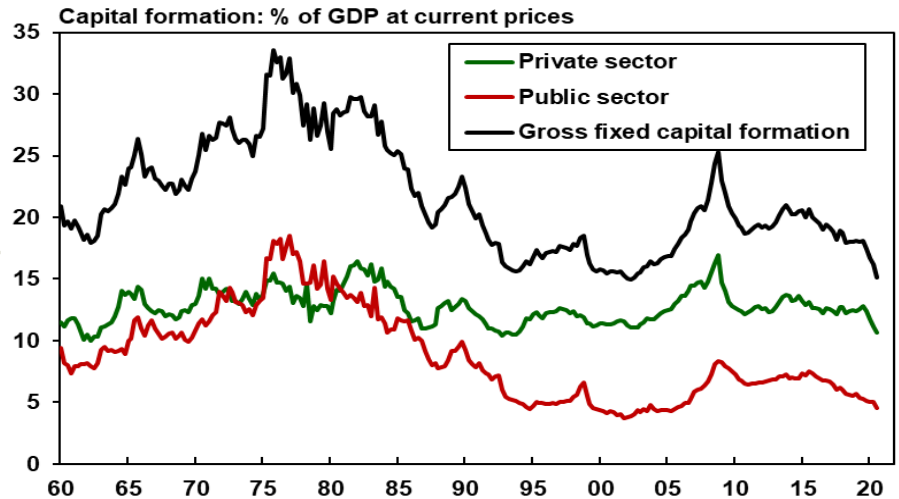
# Part 1: Long-term trends

- Nobel Prize economist, Paul Romer, says it best: ‘Economic growth springs from better recipes, not just more cooking’. Even within this context, the low and shrinking level of fixed investment in SA largely explains the country’s weak growth performance, and more importantly the lack of job creation.

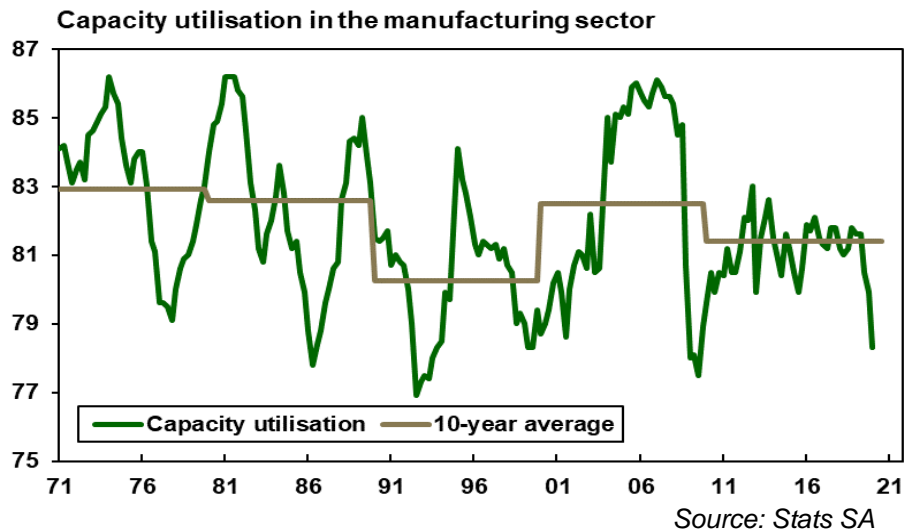
## 1.2 Where did the weakness come from?

- Fixed investment by all major role-players in the economy declined since 2008. Private sector capital outlays shrunk by an average rate of 0.4% per year from a post-apartheid peak in Q4 2008 to Q1 2020. This may seem insignificant, but the growth-sapping impact compounds over time. As a result, private sector fixed investment’s contribution to GDP dropped to 11.7% from 16.9% over the same period.
- At the level of an individual firm, the decision to expand operations is driven by current capacity utilisation, expectations of future demand and the costs and risks associated with expansion. This also holds true at a national level. Economic growth since the 2009 recession was simply too timid to absorb existing capacity, which meant there was no reason to expand operations. Figure 5 shows that capacity utilisation in the manufacturing sector rarely rose above the 10-year average of 81.4% over the past decade. A similar situation probably prevailed in most other sectors.

**Figure 4: Fixed investment activity is dominated by the private sector**



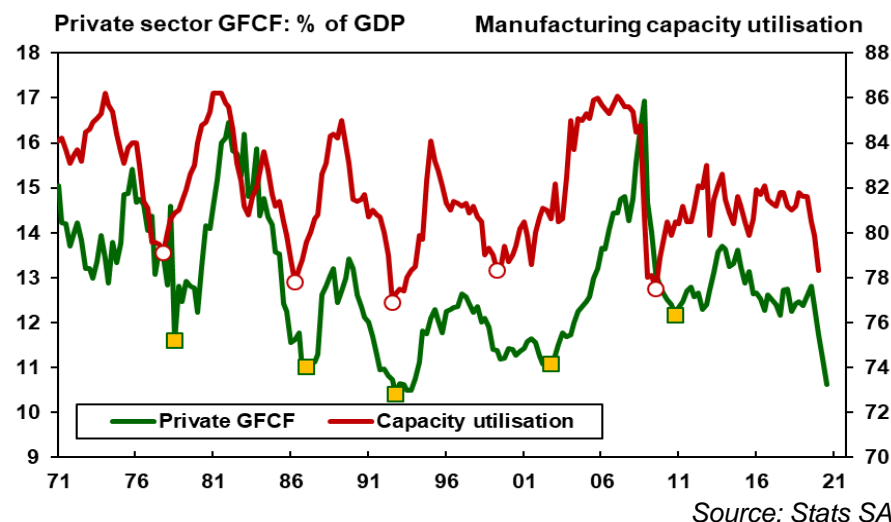
**Figure 5: Growth too weak to strain capacity** *Source: SARB*



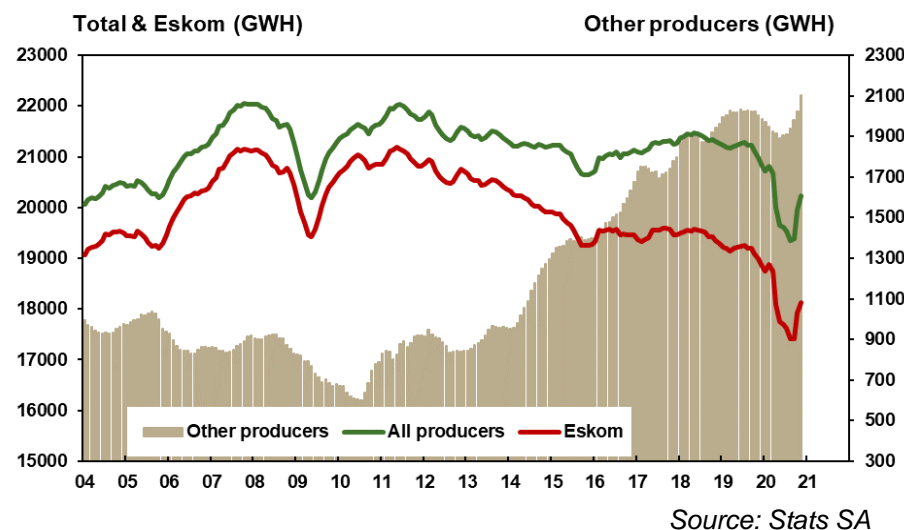
# Part 1: Long-term trends

- There was no evidence of any upward traction developing in economic growth. To the contrary, demand slowed down to a crawl by 2015. According to the SARB's classification of business cycles, South Africa has been stuck in a downswing since December 2013 – the longest in recorded history.
- In those industries where demand remained relatively robust the hurdle rates attached to new capital expenditure (capex) projects were probably prohibitive. The expected return of the investment was deemed insufficient to compensate for expected risks attached to project. Added to this, the factors that raise hurdle rates and aggravate associated risks are more structural than cyclical. This means that these obstacles will take time to resolve.
- The major deterrents to new private sector capex projects are:
  - ❖ Inadequate, unreliable and relatively expensive power supply.
  - ❖ The same holds true, albeit to a lesser extent, of road, rail and port infrastructure.
  - ❖ High labour costs relative to productivity.
  - ❖ Policy uncertainty and red tape
  - ❖ Poor public service delivery

**Figure 6: Capex turns on evidence of sustained pressure on capacity**



**Figure 7: Eskom produces less electricity today than in 2004**

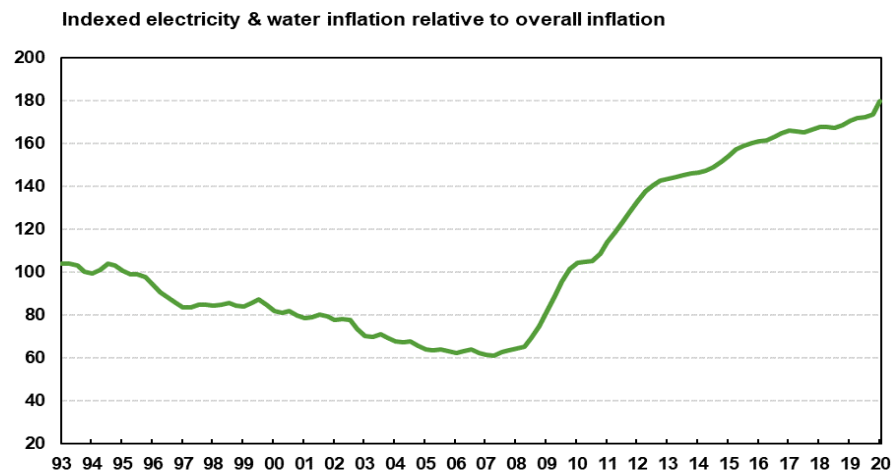




# Part 1: Long-term trends

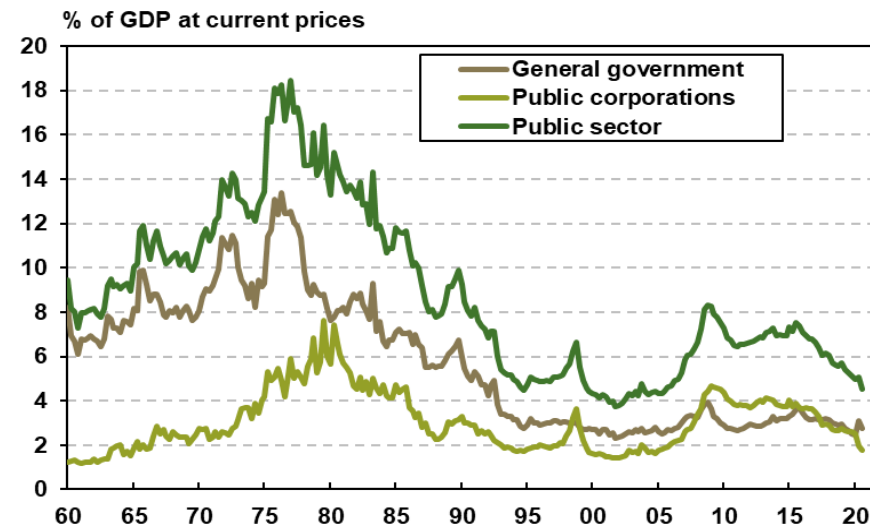
- ❖ Government's growing public sector borrowing requirement, which jumped to 15.9% of GDP over the past fiscal, is also increasingly crowding out the private sector from the capital markets.
- Much of the drag on private sector fixed investment emanates from chronic underinvestment by the public sector.
- Public sector capital outlays fell to 10.6% of GDP in Q3 2020 from a post-apartheid peak of 16.9% in Q3 2008. The contribution of general government's capex to GDP declined from an already low 3.7% at the end of 2015 to a low of 2.5% in Q1 2020, before drifting slightly higher to 2.7% in Q3.
- The share of capex by state-owned enterprises (SOEs), which provide the bulk of the country's economic infrastructure, receded sharply from 4.6% in early 2009 to 2.5% in Q1 2020, just before the Covid-19 pandemic struck and strict lockdown was imposed in late-March through to end-April. This slide continued even as containment measures were eased, dropping to only 1.8% of GDP in Q3 2020.

**Figure 8: Financial woes of SOEs also drove up the cost of utilities and basic infrastructure**



Source: Stats SA

**Figure 9: Trends in capital expenditure by the public sector**

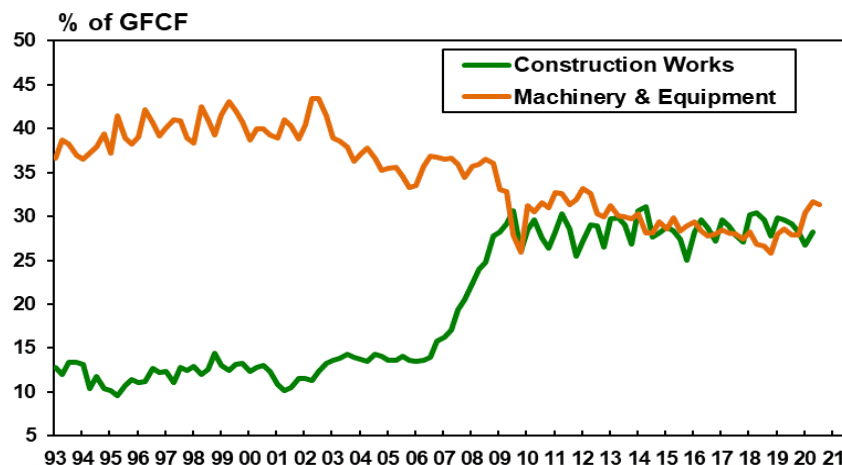


Source: SARB

## 1.3 Which assets were organisations investing in?

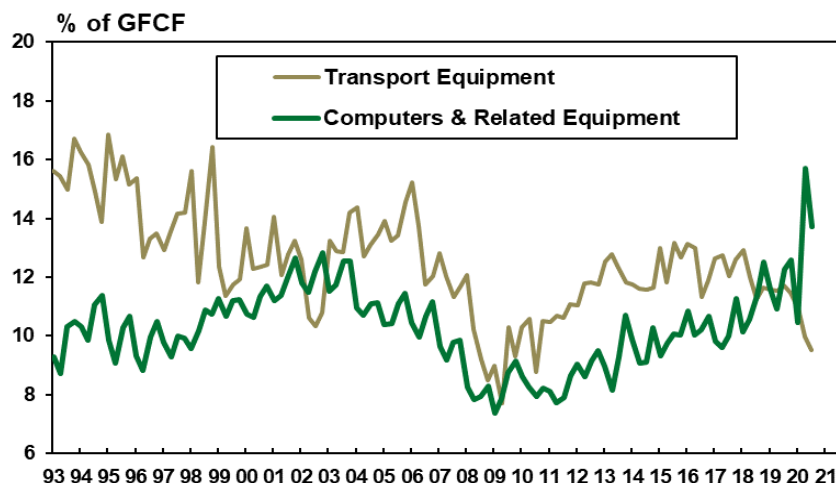
- The bulk of fixed investment spending goes towards machinery and equipment as well as construction works, which together accounts for almost 60% of total capital outlays. Of the two, machinery and equipment has historically been the largest component. However, it's share of GFCF has declined from a peak of 43% in 2002 to a low of 26.6% in 2018, before rising back up to 31.3% by Q3 2020.
- Spending on construction works rose sharply over the period from 2002 to 2014, taking it's contribution to GFCF up to 31.3% from only 11.6%. This increase in spending on constructions works was partly the results of real estate boom over 2004 to 2008, the building of new football stadia for the 2010 World Cup and ultimately by the construction of Eskom's two new power plants, Medupi and Kusile. Since 2014 the slump in infrastructure spending, particularly by SOEs, has resulted in sharply lower outlays on construction works, reducing it's share of GFCF to 28.2% by Q3 2020.
- Two other significant asset groupings organisations invest in are transport equipment and computers and related equipment. For much of the past three decades transport equipment accounted for a greater portion of GFCF, but

**Figure 10: Machinery & construction works make up the bulk of GFCF**



Source: SARB

**Figure 11: Investment on computers & related equipment increased substantially**

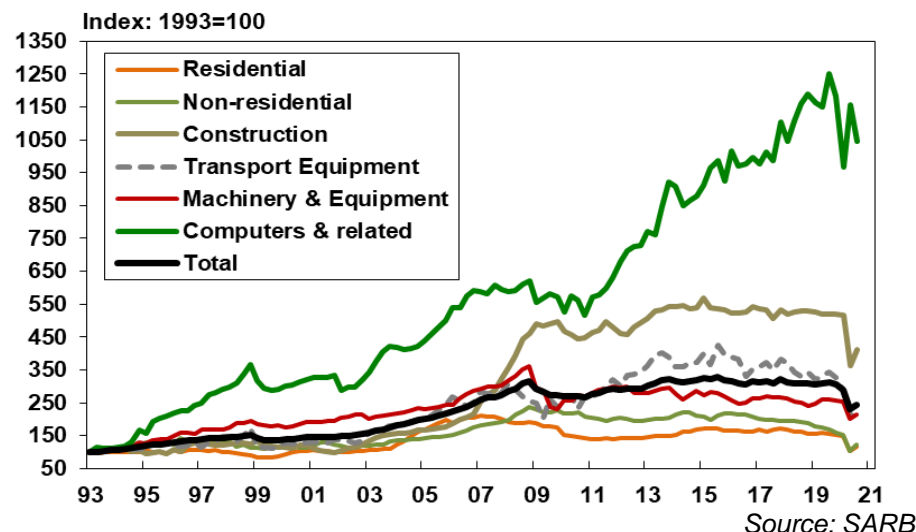


Source: SARB

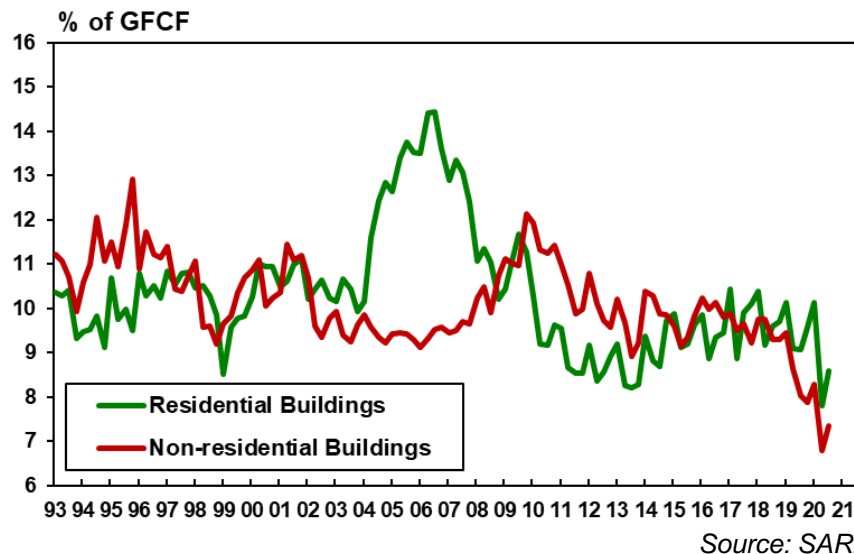
# Part 1: Long-term trends

- spending on computers and other digital and processing equipment accelerated from mid-2017, so much so that it now accounts for a larger share of GFCF. This reflects the global shift towards digitisation over past decades. In the case of SA, spending on both machinery and equipment as well as computers and related equipment has been the most consistent and resilient. This probably reflects the private sector's attempts to reduce production costs through automation and digitisation amid growing pressure to maintain profitability despite fading economic growth and elevated cost burdens.
- Investment in residential and non-residential buildings has been weak since the bursting of property and mortgage bubble in late 2008 and 2009. The slump in residential and non-residential building investment intensified from late-2015 onwards despite relatively low interest rates. Uncertainty around the 'expropriation without compensation' also reduced property's appeal as an asset class. As a percentage of total fixed investment, both residential and non-residential buildings account for slightly less than 10%.

**Figure 12: The digitisation drive gained momentum**



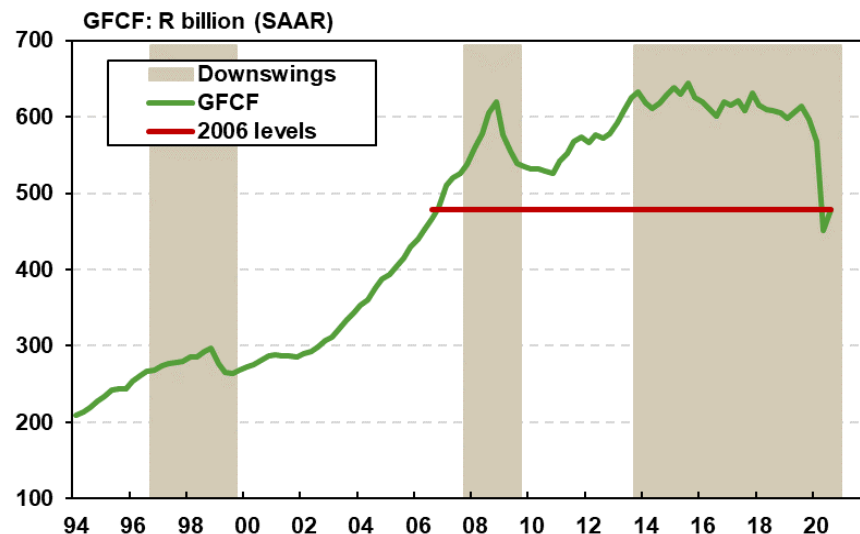
**Figure 13: Interest in buildings remained subdued**



## 1.4 Fixed investment collapsed in 2020

- The Covid-19 pandemic and the subsequent lockdown amplified the longer-term trends. Fixed investment plummeted by 59.8% q-o-q in Q2 2020, after shrinking by 18.6% and 10% in Q1 2020 and Q4 2019 respectively. Although capital expenditure recovered by 26.5% in Q3 as lockdown restrictions were eased, the rebound was modest compared with the second quarter's free-fall.
- The recovery was limited by the damage done to corporate earnings during the lockdown, which caused many firms to delay or cancel investment plans. On a year-on-year basis it barely moved the needle. GFCF was still down 21.6% y-o-y in Q3, hovering around 2006 levels. In the first three quarters of last year, fixed investment contracted by 17.6% y-o-y.
- All institutions recorded increases in capital outlays in the third quarter, with most of the increases reflecting base effects rather than a fundamental recovery in investment activity.
- Most organisations continued to prioritise spending on computers and related equipment in 2020. The pandemic and the lockdown added urgency to this endeavour, with most industries digitalising their services where possible.

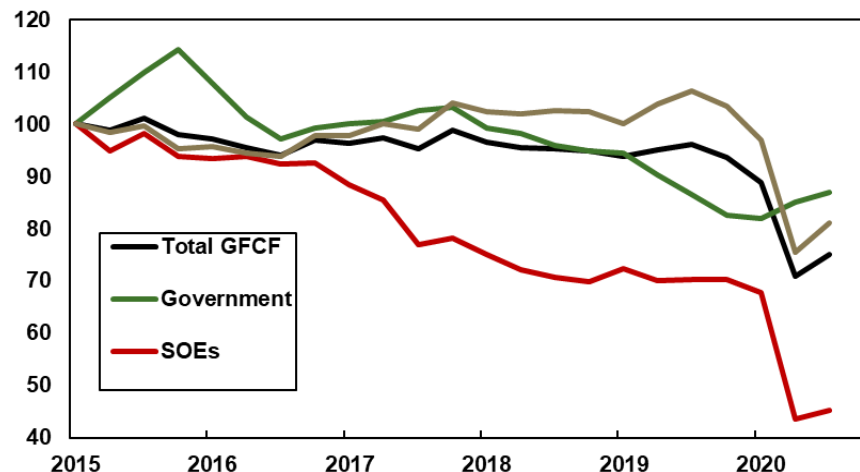
Figure 14: The level of GFCF fell to a 13-year low



Source: SARB

Figure 15: SOE's remain the greatest drag on GFCF

Breakdown of Fixed Investment: Index: Q1 2015=100

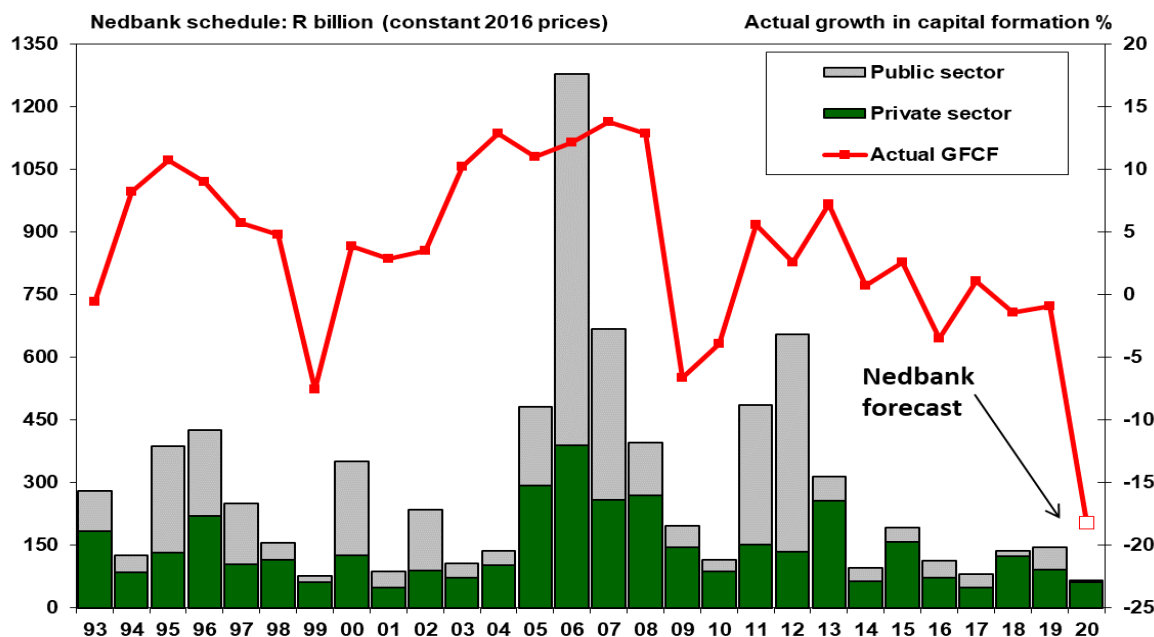


Source: SARB

## 2.1 How many new projects were announced in 2020?

- The Covid-19 pandemic had a devastating impact on investment plans in 2020. As companies profit margins were reduced due to limited economic activities, most organisations opted to reduce or delay investment spending. While lockdown measures were relaxed gradually and positive news on the vaccination came in during the second half of the year, sentiment improved but private companies decided to adopt a wait and see approach, while others decided to cancel their investment plans due to the financial stress caused by the lockdown.
- The **Nedbank's Capital Expenditure Project Listing** shows that there were fewer new projects announcement in the second half of the year compared with the same period in 2019. During the period the number of projects fell by 60%, while the value dropped by 24%. For the year as a whole, a total of 32 new projects were recorded, the lowest since the listing started in 1993, while the value of the projects amounted to R66.2 billion, the smallest since 2004.

**Figure 16: Nedbank's Project Listing**

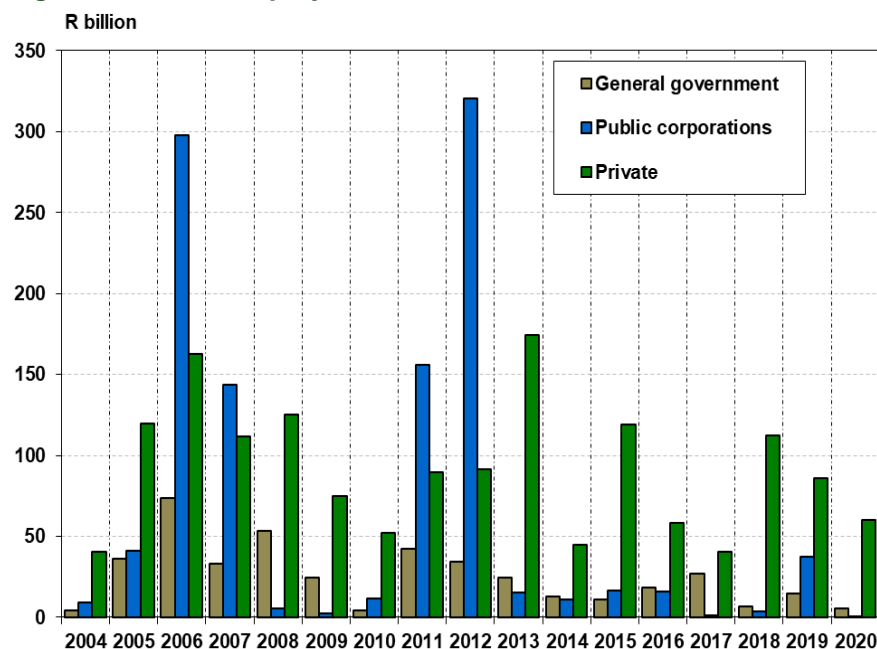




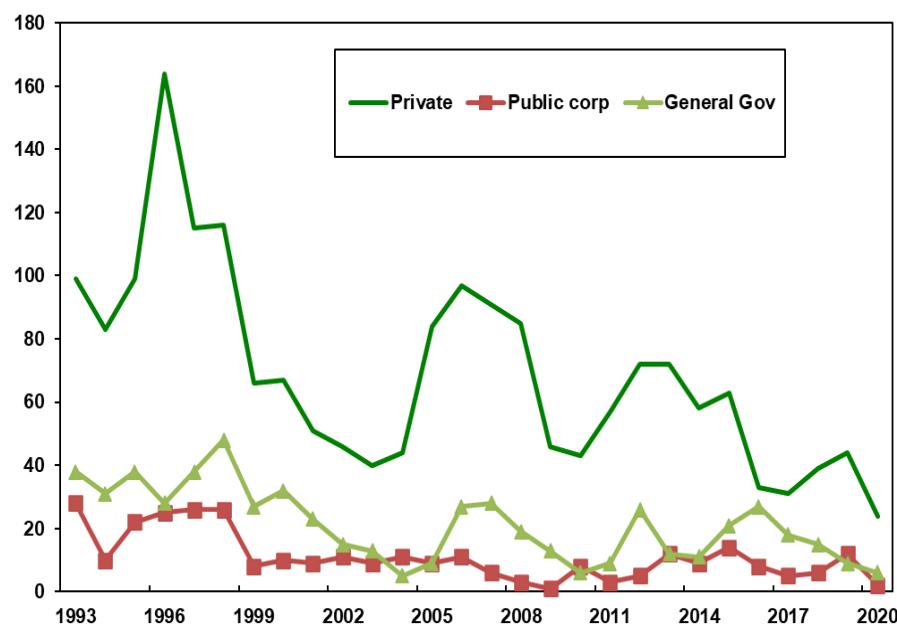
## 2.2 Which institutions were the most active?

- The **private sector** continued to dominate, with a total of 24 projects worth R60.2 billion announced, which accounted for 75% of the total value of projects captured in 2020. The **government's** and **public corporations'** projects are usually highly volatile, but so far this year few new projects have been observed. More government projects should begin to be recorded in the coming months as government reported in June that around R100 billion for news projects has been set aside in the infrastructure investment fund for the next ten years, with a drive to increasing the share of gross fixed capital formation to GDP from 15% to 30%. The projects will mainly focus on energy, roads, ports as well as housing developments.

**Figure 17: Values of projects**



**Figure 18: Number of projects**



## 2.3 Which industries featured strongly?

- The projects for 2020 were dominated by the **finance, real estate, business services** industry, which reported projects worth R28.3 billion, accounting for 43% of the total value. Most of the projects were mixed use developments. The project with the highest value was the first phase of the Mooikloof Mega-City, a Balwin R9.6 billion development in the east of Pretoria. On completion of the various stages the project will be valued at R44 billion, with a total of 50 000 apartments. The second biggest project is the Munyaka Estate development, worth R9 billion - which comprises 5 020 one- to three-bedroom apartments in Midrand by Balwin Properties, followed by the River Club redevelopment worth R5 billion (a mixed-use development), which will be a first-of-its-kind landmark in the city of Cape Town. Other major projects featured include a R3 billion industrial park (King Air Industrial park) – which involves the development of logistics, distribution, warehouse and cold storage facilities in Cape Town by Atterbury Property and Old Mutual Properties, as well as Equites Property Fund Group's R1 billion 122 734 m<sup>2</sup> Pepcor logistics warehouse in Hammarsdale.

Industry	R million	% of total	No of projects
Agriculture, forestry and fishing	R 0	0.0	0
Construction	R 0	0.0	0
Mining and quarrying	R 11 550	17.4	5
Manufacturing	R 18 835	28.4	4
Electricity, gas and water	R 140	0.2	1
Wholesale, retail and motor trade, hotels and accommodation	R 425	0.6	1
Transport, storage and communication	R 6 460	9.8	7
Finance, real estate and financial and business services	R 28 300	42.7	9
Community, social and personal services	R 509	0.8	5
<b>Total</b>	<b>R 66 219</b>	<b>100.0</b>	<b>32</b>

## 2.3 Which industries featured strongly?

- The **manufacturing sector**, which was hard hit by lockdowns, both locally and in foreign markets, reported fewer new projects. However, the total value was higher at R18.8 billion. This was pushed up by United Heavy Industries' investment drive, worth R17 billion, which will more than double the capacity of its steel mill at Mandeni from 70 000 ton per year to 150 000 ton per year through equipment upgrades as well as through projects within the energy and aerospace industries. The company also plans to spend R4.5 billion on a 1.5-million-ton a-year integrated steel mill in the next two years, with an additional R3.7 billion allocated to the phased expansion of the steel mill. Metair will also invest R1.3 billion in a new logistics facility in Silverton and a new manufacturing facility in Stanger in KZN. SEW-Eurodrive will be constructing its new headquarters in South Africa for R400 million, while Ford Motor Company of Southern Africa will spend R135 million to build a 13.5 megawatts solar power station at its Silverton assembly plant as part of its integrated renewable-energy programme, aimed at making assembly entirely green and energy self-sufficient.
- **Mining** reported five major projects worth R11.6 billion. These include the Kapstevél South Project, worth R7 billion, which entails the development of a new pit and associated infrastructure at Kolomela. This will sustain iron ore production levels at 13 million tonnes a year for the rest of the life-of-mine. Northam Platinum is recommissioning its Eland mine in Brits, (which will produce platinum, palladium, rhodium and gold) for R2.2 billion, while Menar is spending R1.5 billion on an opencast coal mine (Palmietkuilen), which will produce 600 000 tons of coal a month. Wescoal Holdings' Moabsvelden project in Mpumalanga, worth R600 million, which will supply Eskom's Kusile power station with about three million tonnes of coal a year for about ten years is also underway.
- The **transport, storage and communication sector** recorded 7 projects worth R7.5 billion. The value was pushed up by the Teraco Cape Town 2 (CT2) project, worth R4 billion, which involves the construction of a 30 megawatts data centre, doubling the capacity of the current data centre, making it the second largest in Africa. Another large project in this sector is the Msikaba bridge worth R1.6 billion, which is a 580 metre cable-stayed bridge under contraction by Sanral in the Eastern Cape. Some of the projects include the rehabilitation of sections of the N4 road in Gauteng for R380 million.

## 2.3 Which industries featured strongly?

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- The **community, social and personal services sector** recorded a few small projects worth a total of R509 million. They include BMW South Africa's new independent school, with the capacity for 1600 pupils from Grade RRR to 12 in Ga-Rankuwa, Pretoria, worth R113 million, another new primary school (Oakland City Primary), which is worth around R100 million in Cape Town as well as an upgrade of the Mthatha Magistrates Office in Mthatha for R100 million. The Western Cape Department of Correctional Services is spending around R60 million to refurbish the old Brandvlei Correctional Centre and convert it into a COVID-19 isolation site.
- The **wholesale, retail and motor trade, hotels and accommodation** industries reported projects worth R425 million in total. They include the expansion of Toyota's Kempton Park warehouse for R365 million, Hilton's R100 million, 150-room hotel in Cape Town and Volkswagen's new 2-level building, worth R60 million in Krugersdorp, which will be used to sell and service cars.
- There were few projects recorded in the '**electricity, gas and water**' sector. This industry is expected to experience an increase in activity in 2021 when the fifth bid window of the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) will be launched.

- The outlook for fixed investment in 2021 remains highly uncertain. Fixed investment activity is likely to remain depressed in the first half of the year, with confidence undermined by the resurgence in Covid-19 infections, the move from level 1 to adjusted level 3 lockdown in January, persistent power outages and general uncertainty about future growth prospects. The return to more stringent lockdowns in many of SA's major trading partners will also dampen sentiment and hurt export volumes. The underlying investment environment is expected to improve in the second half of this year, with the vaccination drive in advanced countries likely to gain momentum, increasing the chances of some acceleration in global demand off a low base. The domestic economy should also fare moderately better in the quarters ahead, supported by benign inflation, low interest rates and the gradual normalisation in economic activity as the domestic inoculation drive is expected to start, albeit with delays and hiccups along the way. This will result in some pickup in fixed investment spending towards year-end, but is not likely to be enough to offset the weak conditions in the first half of the year. As a result, we expect fixed investment to contract by a further 2.6% in 2021, which is at least a much slower rate of decline than the projected 18.2% for 2020. Capital formation is only expected to return to growth next year, clocking around 2.8% per annum in 2002 and 2023 respectively.
- There may be some upside to the investment outlook. The outcome of the investment summits showed that many companies are willing to increase investment spending, with a total of more than 100 projects worth around R774 billion new investment pledged to date since 2018. If government manages to get those capital projects off the ground, it could provide some upside to fixed investment in the coming years.
- A boost to the total investment numbers could also come from the fifth bid window of REIPPPP, which will be launched early this year. It is likely to be the main feature in power generation projects in 2021 and beyond.
- However, the downside risks are considerable, including unreliable electricity supply, elevated operating costs and persistent policy uncertainty.



# Part 3: Tables & Projects List

## 3.1 Table 1: Announced projects in each year - current prices

	TOTAL		CAPEX BY TYPE OF ORGANISATION						CAPEX BY SIZE OF THE PROJECT					
	Total value of announced projects (R million)	Total number of announced projects	Number of projects by:			Total value of projects by:			Number of:			Total value of:		
			Private sector	General government	Public corporations	Private sector (R million)	General government (R million)	Public corporations (R million)	Small projects	Medium projects	Large projects	Small projects (R million)	Medium projects (R million)	Large projects (R million)
1993	48649	165	99	38	28	31669	10253	6727	52	72	41	1648	7674	39327
1994	23502	124	83	31	10	15896	5593	2013	47	51	26	1597	5949	15956
1995	76693	159	99	38	22	25977	6119	44597	43	68	48	1519	7235	67939
1996	92086	217	164	28	25	47377	4958	39751	75	83	59	2417	10618	79051
1997	59671	179	115	38	26	24739	27653	7279	59	69	51	1930	8556	49185
1998	40179	190	116	48	26	29848	7066	3265	81	73	36	2666	8057	29456
1999	21579	101	66	27	8	17263	2528	1788	42	37	22	1196	3758	16625
2000	102157	109	67	32	10	36877	9605	55675	50	36	23	1814	4181	96162
2001	26743	83	51	23	9	14646	10763	1334	22	32	29	757	3521	22465
2002	76603	72	46	15	11	29011	29933	17659	12	29	31	405	3633	72565
2003	37588	62	40	13	9	25019	10073	2496	10	23	29	324	2925	34339
2004	54192	60	44	5	11	40665	4290	9237	5	27	28	175	3566	50451
2005	196826	102	84	9	9	119444	36038	41344	12	22	68	507	3435	192884
2006	534535	135	97	27	11	162896	73767	297872	12	23	100	515	2981	531039
2007	288746	125	91	28	6	111705	33287	143754	11	43	71	340	5353	283053
2008	184015	107	85	19	3	125474	53091	5450	9	26	72	296	3461	180258
2009	101779	60	46	13	1	74740	24759	2 280	6	20	34	189	3850	97740
2010	67461	57	43	6	8	51837	4224	11400	5	18	34	180	2367	64914
2011	287425	69	57	9	3	89548	42077	155800	1	15	53	24	2196	285206
2012	445573	103	72	26	5	91104	34185	320284	10	28	65	355	4083	441135
2013	213726	96	72	12	12	174442	24183	15101	3	22	71	82	3449	210195
2014	68489	78	58	11	9	44950	12665	10874	9	18	51	330	3252	64908
2015	146240	98	63	21	14	118989	10890	16361	7	33	58	265	4296	141679
2016	92525	68	33	27	8	58013	18424	16088	5	17	46	180	2634	89711
2017	68249	54	31	18	5	40507	26643	1099	3	16	35	120	2116	66013
2018	122648	60	39	15	6	112173	6715	3760	5	15	40	197	5613	116838
2019	137679	65	44	9	12	85749	14509	37421	3	10	52	99	2804	134776
2020	66219	32	24	6	2	60224	5295	700	2	10	20	75	969	65175

- Notes:
- 1 Announced value is recorded in current prices
  - 2 Small projects include all projects between R20 million and R49 million
  - 3 Medium projects include all projects between R50 million and R249 million
  - 4 Large projects include all projects above the R250 million

# Part 3: Tables & Projects List

**3.2 Table 2: Announced projects in each year - constant 2019 prices**

	TOTAL		CAPEX BY TYPE OF ORGANISATION						CAPEX BY SIZE OF THE PROJECT					
	Total value of announced projects (R million)	Total number of announced projects	Number of projects by:			Total value of projects by:			Number of:			Total value of:		
			Private sector	General government	Public corporations	Private sector (R million)	General government (R million)	Public corporations (R million)	Small projects	Medium projects	Large projects	Small projects (R million)	Medium projects (R million)	Large projects (R million)
1993	280699	165	99	38	28	182726	59159	38814	52	72	41	9509	44278	226912
1994	126025	124	83	31	10	85239	29991	10794	47	51	26	8564	31900	85561
1995	386124	159	99	38	22	130786	30807	224531	43	68	48	7648	36426	342051
1996	426173	217	164	28	25	219260	22946	183967	75	83	59	11186	49140	365847
1997	249942	179	115	38	26	103623	115829	30489	59	69	51	8084	35838	206019
1998	155179	190	116	48	26	115278	27290	12610	81	73	36	10297	31118	113764
1999	77067	101	66	27	8	61653	9028	6386	42	37	22	4271	13421	59375
2000	349361	109	67	32	10	126114	32848	190400	50	36	23	6204	14298	328859
2001	87164	83	51	23	9	47736	35080	4348	22	32	29	2467	11476	73221
2002	234090	72	46	15	11	88654	91472	53964	12	29	31	1238	11102	221750
2003	106759	62	40	13	9	71060	28610	7089	10	23	29	920	8308	97531
2004	135674	60	44	5	11	101808	10740	23126	5	27	28	438	8928	126309
2005	481945	102	84	9	9	292469	88242	101234	12	22	68	1241	8411	472293
2006	1278794	135	97	27	11	389704	176475	712614	12	23	100	1232	7132	1270430
2007	666600	125	91	28	6	257883	76846	331871	11	43	71	785	12358	653457
2008	394353	107	85	19	3	268897	113777	11680	9	26	72	634	7417	386301
2009	196607	60	46	13	1	144375	47827	4404	6	20	34	365	7437	188804
2010	113982	57	43	6	8	87583	7137	19261	5	18	34	304	3999	109678
2011	485788	69	57	9	3	151349	71116	263324	1	15	53	41	3711	482037
2012	655542	103	72	26	5	134036	50294	471213	10	28	65	522	6007	649013
2013	314441	96	72	12	12	256645	35579	22217	3	22	71	121	5074	309246
2014	95674	78	58	11	9	62792	17692	15190	9	18	51	460	4543	90671
2015	192729	98	63	21	14	156815	14352	21562	7	33	58	349	5662	186719
2016	113532	68	33	27	8	71185	22607	19741	5	17	46	221	3232	110079
2017	80824	54	31	18	5	47971	31552	1302	3	16	35	142	2505	78177
2018	135641	60	39	15	6	124057	7426	4158	5	15	40	218	6208	129216
2019	145187	65	44	9	12	90425	15300	39462	3	10	52	104	2957	142125
2020	66219	32	24	6	2	60224	5295	700	2	10	20	75	969	65175

- Notes:
- 1 Announced value is recorded in constant 2020 prices
  - 2 Small projects include all projects between R20 million and R49 million
  - 3 Medium projects include all projects between R50 million and R249 million
  - 4 Large projects include all projects above the R250 million

# Part 3.3: List of major projects.....1

Year	Announced date	Project name	Company name	Estimated completion date	Estimated value (R million)
1996	Aug-96	Coega Industrial Development Zone (IDZ).	Portnet	Dec-30	25200
2002	Mar-02	Alice Quarry - Eastern Cape	Alice Quarry	May-22	5000
2005	Sep-05	Zimbali (All Projects)	Moreland Development & IFA (International Financial Advisers)	Jun-21	5000
2007	Feb-07	Project Kusile (formerly called Bravo)	Eskom	Jun-21	141500
	Mar-07	Anglo Coal South Africa expansion	Anglo Coal South Africa	Dec-23	15000
2008	Feb-08	Impala No 17 shaft - Rustenburg	Implats	Dec-21	11100
2009	Jan-09	Crocodile Mokolo water augmentation project (CMWAP)	The Trans-Caledon Tunnel Authority (TCTA)	May-26	15000
	Feb-09	The Cradle City project	Amari Land	Dec-39	11000
2011	Apr-11	Passenger Rail Agency of South Africa (Prasa) rolling stock fleet-renewal programme	Passenger Rail Agency of South Africa	Dec-30	151500
	Aug-11	Lesotho Highlands Water Project - Phase 2	Department of Water Affairs	Aug-25	32000
	May-12	The Square Kilometre Array (SKA) project - Phase 1	Department of Science and Technology	Dec-23	8900
	Apr-12	Makhado coking coal project	A joint venture deal between Coal of Africa Limited and Rio Tinto Coal and its associates, Kwezi Mining & Exploration and Chapudi Coal.	Dec-22	3600
	May-12	Clanwilliam Dam	Department of Water Affairs	Oct-22	2200
2013	Jan-13	Durban dug-out port	Transnet	Jan-24	75000
	Jun-13	Renewable Energy Independent Power Producer Procurement Programme (REIPPP) - third round	Various companies	Jun-22	42000
	Oct-13	Savana City Mixed-use Development	Basil Read and Old Mutual's Housing Impact Fund of South Africa (HIFSA)	Dec-23	24000
	Mar-13	Venetia underground diamond mine	De Beers Consolidated Mines South Africa (DBCM)	Dec-21	20000
	Mar-13	Wind farm projects, Northern Cape - Round 3 of the DoE's Renewable Energy Independent Power Producer Procurement Programme (REIPPPP)	Various companies	Dec-22	9000
	Mar-13	Mogale City (Leratong City) Regional Mall	Trendville Consortium	Jun-23	2000
	Mar-13	Bay West Mall	Abacus Asset Management and the Billion Group	Jun-25	2000
2015	Mar-15	Palabora Copper's Lift 2 project	Bauba Platinum	Dec-33	9300
	Jan-15	N2 Wild Coast toll road megabridges project	SANRAL	Aug-21	3300
2016	Aug-16	Musina-Makhado special economic zone (SEZ) energy and metallurgical industrial park	Limpopo Department of Economic Development, Environment and Tourism	Apr-21	40000
	Jan-16	South African State-owned vehicle manufacturing plant project	The Industrial Development Corporation (IDC) and the Beijing Automotive Group Corporation (BAIC)	Dec-27	12000
	Jun-16	Moloto Road upgrade	Department of Transport	Dec-21	3700
2017	Jan-17	Sibaya Coastal Precinct project	Tongaat Hulett Developments	Dec-38	50000
	Mar-17	The Leeuwpoot housing project	Gauteng Department of Human Settlements	Dec-24	8900
	Apr-17	Clayville mixed-use housing project	Gauteng Department of Human Settlements	Dec-22	6000
	Mar-17	Thabametsi coal mine project – Phase 1	Exxaro Resources	Dec-22	3000
2018	Apr-18	The Department of Energy (DoE) fourth Renewable Energy Independent Power Producer Procurement Programme (REIPPPP)	Various companies	Dec-24	38000
	Oct-18	Mercedes-Benz South Africa East London plant	Mercedes-Benz South Africa	Dec-23	10000
	Oct-18	Mondi capital expenditure	Mondi	Dec-23	8000
	Jan-18	Sinopec Chevron refinery upgrade	Sinopec	Dec-23	6000
	Jul-18	Sappi Saiccor expansion plan - Project Vulindlela part 2	Sappi Limited	Dec-25	5000
	May-18	Tshwane Auto City - Phase 1	Automotive Industry Development Centre (AIDC), a wholly-owned government subsidiary	Dec-25	4300
	Oct-18	McDonalds investment spending	McDonalds South Africa	Dec-21	3000
	Sep-18	Gloria manganese mine modernisation	Assmang	Dec-22	2700
	Feb-18	Technical and vocational education and training college campuses	Department of Higher Education and Training	Dec-21	2500
	Oct-18	Saxony Sandton development	Saxony Developments	Jun-21	2000
	Oct-18	Ntshongweni Mall - Ntshongweni development phase 1	Tongaat Hulett	Jun-21	1800
	Jan-18	Offshore supply base	Transnet	May-23	1800
	Feb-18	Siloam hospital	Limpopo Department of Health	Dec-21	1600
	Oct-18	Jewel City redevelopment	Diversity Urban Property Fund in partnership with RMH holdings, Ithimba Property Group, Atterbury, Talis Holding Group and Nedbank Property Partners	Dec-20	1200
	Feb-18	Mafikeng Bophelong hospital	North West Department of Health	Dec-21	1100
	Oct-18	Rain Mobile	Rain Mobile	Dec-23	1000

# Part 3.3: List of major projects.....2

Year	Announced date	Project name	Company name	Estimated completion date	Estimated value (R million)
2019	Apr-19	Dube Trade Port Special Economic Zone (DTP SEZ) – Phase 2	Dube TradePort Corporation, owned by the KwaZulu-Natal Provincial Government	Dec-24	18000
	Nov-19	Cape Town Harbour Arch	Amdec Group	Dec-25	14000
	Jan-19	Cape Town International Airport expansion	Airports Company South Africa (ACSA)	Dec-23	7500
	Apr-19	Zulti South mine (Phase 1)	Rio Tinto	Dec-21	6500
	Jun-19	Gauteng Provincial Government (GPG) road infrastructure	Gauteng Provincial Government	Sep-22	6500
	Oct-19	Atterbury mix-use development - Phase 1	Atterbury Property Fund	Dec-29	6000
	Nov-19	Steyn City Lifestyle Resort - Phase 2	Steyn City Properties	Dec-25	5500
	Jan-19	Conradie Better Living	Partnership between the Western Cape Government, the City of Cape Town and the private sector	Dec-22	5000
	Mar-19	uMkhomazi bulk water scheme	KwaZulu-Natal provincial government	Dec-22	4700
	Jan-19	OR Tambo International Airport expansion - Phase 1	Airports Company South Africa (ACSA)	Dec-23	4500
	Nov-19	Toyota South Africa Motors (TSAM)	Toyota South Africa Motors (TSAM)	Dec-21	4280
	Feb-19	Prieska zinc/copper project	Orion Minerals	Dec-24	3780
	Jan-19	Sapref refinery upgrade	Shell and BP	Dec-23	3500
	Aug-19	Garob Wind Farm - REIPPP	Enel Green Power RSA	Jun-21	3000
	Apr-19	Barlow Park Precinct redevelopment	Barloworld, Atterbury and African Rainbow Capital, with each party holding one-third of the property.	Jun-25	3000
	Jul-19	Oyster Bay Wind Farm	Enel Green Power RSA	Jun-21	2900
	Jun-19	The Tambo Springs Intermodal Terminal	Transnet	Sep-22	2500
	Nov-19	Automotive components makers	Various	Dec-25	2400
	May-19	Netcare Capital Expenditure programme	Netcare	Dec-21	1900
	Jul-19	Zandvliet Wastewater Treatment Works	City of Cape Town	Dec-24	1700
	Dec-19	De Wittekrans project	Menar	Dec-21	1600
	Aug-19	Blyvoor gold project	Blyvoor Gold Capital	May-23	1500
	Nov-19	Lanseria International Airport expansion	Lanseria Airport	Dec-28	1500
	Sep-19	Ellipse Waterfall	Attacq	Jun-21	1250
	Jun-19	Capital Mall	McCormick Property Development	Dec-21	1200
	Dec-19	Isuzu next-generation bakkie programme	Isuzu Motors South Africa	Dec-22	1200
	Jul-19	Heineken Sedibeng brewery expansion	Heineken SA	Dec-22	1000
	Mar-19	Stellenbosch University Biomedical Research Institute (BMRI)	Stellenbosch University	Dec-22	1000
	Dec-19	Witfontein underground coal project	Menar	Dec-23	1000
2020	Oct-20	United Heavy Industries investment drive	United Heavy Industries	Dec-25	17000
	Sep-20	Mooikloof Mega-City - Phase 1	Balwin	Dec-25	9600
	Apr-20	Munyaka Estate	Balwin Properties	Apr-28	9000
	Jul-20	Kapstevl South Project	Kumba Iron Ore	Dec-24	7000
	Aug-20	River Club redevelopment	Western Cape government and Liesbeek Leisure Properties	Dec-25	5000
	May-20	Teraco Cape Town 2 (CT2)	Teraco	Sep-21	4000
	Mar-20	King Air Industrial park	Atterbury Property and Old Mutual Properties	Dec-25	3000
	Nov-20	Eland mine complex	Northam Platinum	Dec-25	2200
	May-20	Msikaba bridge	South African National Roads Agency Limited (Sanral)	Dec-22	1600
	Aug-20	Palmietkuilen Colliery Project	Menar	Dec-23	1500
	Jun-20	Metair manufacturing and logistics facilities	Metair	Dec-25	1300

## **Group Economic Unit:**

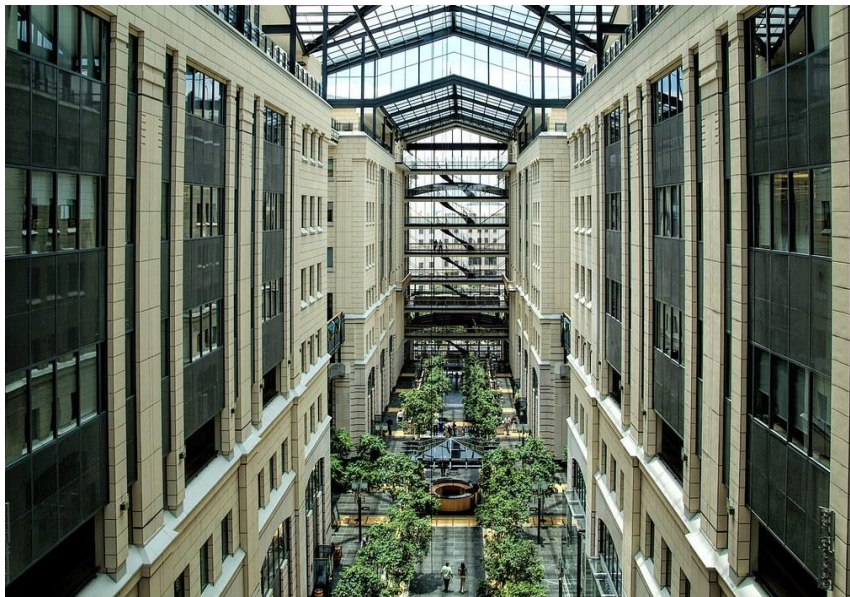
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