

EAST LONDON IDZ (ELIDZ)

OWNERSHIP AND FUNDING

Set up in 2002 as a response to the need for a robust catalyst for economic development and industrial diversification in the country, the ELIDZ is a State Owned Corporation set up by government through the South African Industrial Development Zones Programme (now the South African Special Economic Zones Programme) to develop, operate and maintain modern infrastructure and to complementarily attract strategic investments for the region. It is funded by the Department of Trade and Industry (SEZ Fund – Capital Projects) and the Department of Economic Development Environmental Affairs and Tourism.

OUR CORE IDEOLOGY

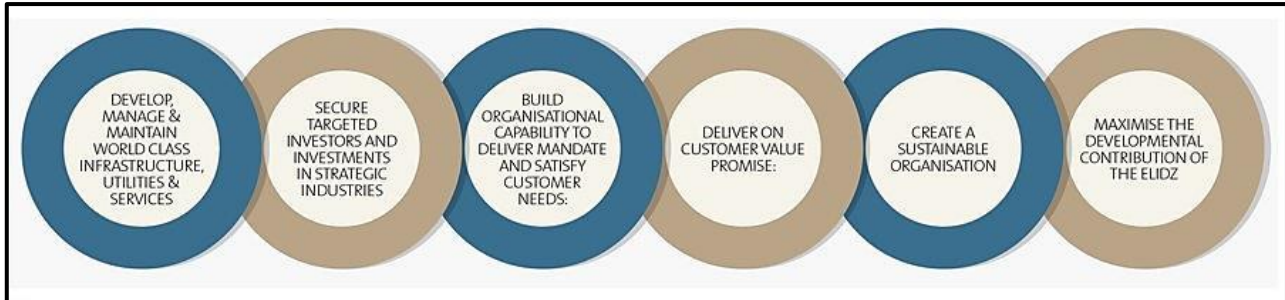
Vision

Our vision is to be a World class Operator of a prestigious industrial complex where highly competitive organisations thrive on streamlined business benefits and stimulate sustainable regional economic growth.

Mission

Our mission is to provide investor solutions and to attract and develop strategic industries that strengthen South Africa's global competitiveness through the development and operation of a thriving, specialized industrial complex.

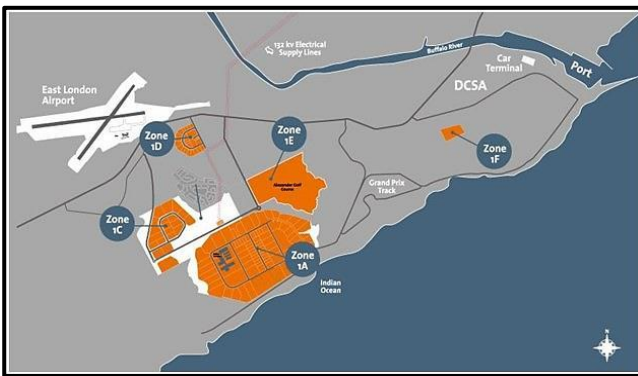
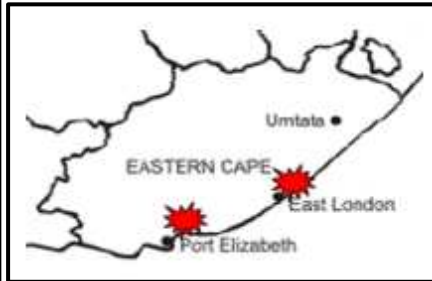
OUR STRATEGIC GOALS



East London IDZ (ELIDZ)

The East London IDZ is one of the two strategic development Initiatives (SDI) zones in the Eastern Cape. It is located in East London south of the Port of East London and adjacent the airport. The IDZ is ideally situated for the location of export-led manufacturing and processing as well as the strong automotive industry in the province.

It currently has fourteen investors as well as over 100 developed sites. Industry investors located within the zone includes: Mercedes Benz South Africa and the IDZ Automotive Supplier Park (ASP) which houses world renowned auto component manufacturers such as Johnson Controls, Feltex, Venture, TI Automotive, Carcoustics and Eurofit.



East London IDZ Attracts Multibillion-Rand Investment



24TH FEBRUARY 2017

BY: DYLAN SLATER
CREAMER MEDIA STAFF WRITER AND PHOTOGRAPHER

Since it was established in 2002, the East London Industrial Development Zone (Elidz) has attracted more than R7.3-billion in private sector investment from 45 investors.

The ELIDz was initiated by government, with a total investment of R2-billion for infrastructure within the development zone, which is geographically positioned and designated for specialised industrial activity. The zone is specially set up for light industry manufacturers in search of ultimate global competitiveness and new market entry.

The ELIDZ is renowned for its customised investment and property solutions that assist industries in streamlining their business operations and in lowering their cost of doing business.

Currently active within the ELIDZ are manufacturers representing the automotive, renewable-energy, aquaculture and agro processing sectors.

Businesses, by locating themselves within the ELIDz, can take advantage of the zone's secure manufacturing environment, with controlled access and proximity to key transport networks, including harbour facilities, recently expanded airport capacity, and rail and road infrastructure.

In terms of the investment attracted thus far, 75% comprises foreign direct investors, while 32% of the total investment by value comprises companies in the automotive sector.

The ELIDZ continues to attract export-orientated investors that assist in strengthening and diversifying the local economy. Linked to this, a report by Statistics South Africa reveals that 67%, or R3.8-billion, of the total inputs used by manufacturers in the ELIDz during 2015 were sourced locally, while outputs worth R2.6-billion from these manufacturers were export bound.

Meanwhile, the ELIDz currently has seven projects at different stages of construction. These include four new investors – in the information and communication technology, renewable-energy, advanced manufacturing and aquaculture sectors – that are preparing to break ground and start construction in the near future.

In addition, the ELIDZ is extending one of its investor's facilities in the zone, owing to its increasing production requirements. Other construction projects at the planning phase are a wind farm in the area and an upgrade to the electrical infrastructure of the zone.

The ELIDZ has established a research and development (R and D) platform – the ELIDZ Science and Technology Park (ELIDZ STP) – to promote R and D. This will allow for the testing and prototyping of different technologies and new inventions.

The ELIDZ STP encourages innovators and their start-ups to locate themselves within the zone, where they will have access to various innovation funders, as well as the ELIDZ STP-facilitated incubation process and facilities. The STP aims to facilitate the creation of creative, technical solutions to problems and to assist companies in adopting innovative approaches in all their operations.

ELIDZ Enterprises Impact Local Economy



10TH FEBRUARY 2017

/MEDIA STATEMENT/ *This content is not written by Creamer Media, but is a supplied media statement.*

The operations of enterprises in the East London Industrial Development Zone have had a tremendous impact on the broader economy of the Eastern Cape Province. This is according to a report released in 2016 by Statistics South Africa (Stats SA) which evaluated the ELIDZ's impact on job creation, export oriented manufacturing and linkages with the local economy. The report revealed that there were 3435 direct manufacturing and services jobs active in the zone. This marked a 35% annualised growth compared to a report released in 2014 by Stats SA. Additionally, enterprises in the ELIDZ had paid R521 million in salaries over a period of 12 months.

This marked a 91.5% annualised growth compared to the 2014 figures. This growth was result of increased activity in the ELIDZ. During the period there were new manufacturers that became active on its platform; additionally, a number of investors that had already been in the zone increased their production capacity and diversified their customer base. Job creation was a vital component of the ELIDZ's mandate.

One of the key highlights from the Statistics SA report is the extent of export oriented manufacturing in the zone. The Stats SA report revealed that 36% of the goods manufactured in the ELIDZ during the period of study were for the export market. A sterling example of this type of manufacturer is Foxtec-Ikhwezi – one of the automotive component manufacturers in the zone. The company exports 87% of their products to Germany and the United States of America.

One of the key aspects of the ELIDZ mandate is to ensure that the activities in the ELIDZ have backward linkages to other players in the Eastern Cape economy. The Stats SA report revealed some progress in this regard. The report revealed that R3.8 billion worth of manufacturing inputs for zone enterprises were sourced from the local economy. This is 67% of the total inputs sourced and is indicative of the extent to which the ELIDZ zone activities impact on the broader provincial economy.

Sundale Dairy, an agro-processing enterprise in the ELIDZ is one of those enterprises that believe in local sourcing and backward linkages with the local economy. Sundale is a family owned business which was started in 1981 by husband and wife team, Neil and Sandra

Rensburg, with just a few cattle. The business has since grown to become the biggest fresh dairy processing plant in the Eastern Cape and one of the most advanced of similar facilities in South Africa. In July 2010, Sundale opened their R140million highly specialised dairy processing plant in the ELIDZ as part of their strategy to expand their market footprint.

While some of their suppliers are in the Buffalo City area, Sundale reaches farmers from as far as Port St Johns – this means that this facility in the ELIDZ is supporting job creation in Port St Johns. The impact of the ELIDZ on the Eastern Cape economy would continue to grow in the next few years. In just the last year the ELIDZ has signed on new investors with an investment value of just over R800 million and some of these investors were already busy with setting up their facilities in the zone.

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