



Dear Fellow South African,

This week, we will be hosting the third South Africa Investment Conference.

Given the impact of the COVID-19 pandemic, this year's conference will be held in a vastly different and immensely more challenging environment than last year.

In April 2018, I announced an ambitious drive to secure R1.2 trillion in additional investments over the next five years. I said that not only is new investment essential to growing our economy, but that it is fundamental to reducing unemployment, poverty and inequality.

Beyond its contribution to national GDP, investment stimulates and supports the growth of local economies, with direct material benefits for our people. It creates work opportunities and full-time jobs, providing people with an income to feed their families and pay for basic amenities. This income gives them purchasing power and enables them to access credit for buying a home or starting a business.

The income they spend on goods and services supports local businesses, including small enterprises. As opportunities are spread and economies grow at a local level, overall economic activity is stimulated, creating a 'trickle-up' effect.

Together with infrastructure development and other employment stimulus measures, investment is a key to boosting our country's productivity and that of its citizens.

In previous years, more than 1,500 delegates attended the SA Investment Conferences. But this year, to allow for social distancing, we expect about 175 delegates to attend in person from listed companies, emerging firms and entrepreneurs, business associations, labour and government. An additional 1,000 online delegates from different parts of the world have registered to date.

The conference will demonstrate that South Africa remains an attractive investment destination, and will show the progress we are making to improve the business climate. It will build on the positive momentum in investment in the years before the onset of the COVID pandemic. Foreign direct investment flows into South Africa, for example, rose sharply from R26.8 billion in 2017 to R70.6 billion in 2018.

Over the last 10 months, the pandemic forced many promising investments pledged at previous conferences to be scaled back or put on hold. But these investments only amount to about one-tenth of the total investment commitment of R664 billion.

Most of the investments are going ahead. Of the 102 projects that were announced at the last two investment conferences, 12 are in the early stages of implementation, 19 have been launched, and 44 are currently under construction or being rolled out.

This year's conference is about implementation, and on turning commitments into brick and mortar projects in our cities and towns. It will highlight our progress in driving the economic reforms that are needed to unlock investment and growth.

Investor confidence has been boosted by, among other things, the establishment of the Infrastructure Fund. Confidence is also being improved by our continuing implementation of the structural reforms and the finalisation of industry masterplans in sectors such as clothing and textiles, sugar and the automotive industry.

We will be showcasing our strengths as a country and how these can be leveraged to attract new investment.

For example, South Africa has been voted the second most attractive location for business process outsourcing for the third year in a row. With business continuity

having been disrupted by the pandemic, we are perfectly placed to capitalise on the growing need of businesses for remote contact centres.

We are positioning ourselves as a hub for digital services. Following the commitment that Amazon Web Services made at last year's investment conference, the company opened its first cloud data centre in Africa, in Cape Town, earlier this year.

We are already a preferred energy investment destination. Many of the projects implemented through the Renewable Energy Independent Power Producer Procurement Programme have been successful and set an example for many countries around the world.

With the African Continental Free Trade Area (AfCFTA) commencing in January, we want to attract more continental investors into our country and at the same time expand our own investments and the market for our own goods and services elsewhere on the continent. Already, more than a quarter of South Africa's exports are to other countries in Africa. We expect this to increase as the AfCFTA establishes a continental market of some 1.3 billion people and a combined GDP of around \$2.3 trillion.

We are not the only country trying to attract investment as part of its economic recovery efforts in the aftermath of COVID-19. This makes our task much harder.

To achieve our goal, we have to work together as government, business, labour and all of society to ensure that the seeds of local and international investment land on fertile soil.

Our national objective is that the investments we secure at the third South Africa Investment Conference must lead to more jobs and improved living standards, and ultimately build the highway that leads to a better, more inclusive future for all.

With best regards,

A handwritten signature in black ink, reading "Cyril Ramaphosa". The signature is written in a cursive, flowing style.