

# New project creates jobs

**METAIR:** DRIVEN BY R1.1BN INVESTMENT LINKED TO FORD SA PROJECT

➔ Other investments include about R200m each in plastics and lighting businesses.

Roy Cokayne

## Moneyweb

**J**SE-listed automotive components and energy storage solutions manufacturer Metair Investments is to create more than 3 000 new jobs in South Africa this year through a major investment in a new project for Ford South Africa.

Metair reported on Thursday that capital expenditure of R1.6 billion had been approved for its current financial year and a further R272 million in capital expenditure had been approved in the first half of 2021.

Chief financial officer Sjoerd Douwenga said the capital expenditure in land and plant and equipment for Hesto Harnesses for the Ford projects totals about R1.1 billion and is split over three years, which started in 2020.

Douwenga said there will be further investment in working capital into Hesto Harnesses next year of R300-400 million.

He added that there are smaller investments in Metair's other businesses, including about R200 million each in its plastics business and lighting business.

"We might also localise the automotive copper wire into Hesto," he said.

Douwenga said the additional capital approved in this financial year is related to incremental Ford business Metair has se-



**METAIR'S PLASTICS PLANT.** The group is building two new plants as part of a component supply deal with Ford SA. Picture: Supplied

cured, which is mainly in Metair's plastics business and involves additional localisation by Ford.

"Unfortunately, it comes from a supplier that did not survive Covid financially and we got the business on the back of that. It's really big business," he said.

Metair CEO Riaz Haffeejee said they are developing two buildings related to the Ford project – one of which is a 3 500m<sup>2</sup> facility in Stanger for Hesto Harnesses because its existing building is full.

He added that this facility will employ 3 000 people between now and the end of the year.

Haffeejee said Metair is also developing a building of some 7 500m<sup>2</sup> in the Tshwane Automotive Special Economic Zone (TASEZ) next to Ford SA's production plant in Silverton in Pretoria, which will create less than 100

# 3 000

**number of jobs that will be created from project**

new jobs.

He said wiring harnesses will be manufactured for Ford SA in Stanger and shipped to the warehouse facility in the TASEZ, where they will be sequenced into line side delivery to Ford SA.

Haffeejee pointed out that Metair has also developed another facility in the TASEZ for Automould, which is supplying plastic injection-moulding parts to Ford SA and is already "under commission".

Ford SA's executive director of government affairs for Africa Dhiren Vanmali confirmed in

September 2020 that more than R4.3 billion will be invested in the TASEZ by 12 Ford suppliers and related services companies who had committed to establishing operations in the SEZ.

It was later announced in February this year that a total of R20.13 billion will be invested in South Africa by the Ford Motor Company and its suppliers for the production of the new Ranger and a bakkie for Volkswagen at Ford's assembly plant in Silverton in Pretoria and the adjacent TASEZ.

Andrea Cavallaro, director of operations at Ford's International Markets Group, said at the time the investment will create 1 200 jobs at the Silverton plant to increase Ford's workforce to 5 500 at the plant and add a further 10 000 jobs to the already 50 000 jobs in the supply network.