



MEDIA RELEASE

SANRAL's N2 Wild Coast Road Project offers significant economic opportunities for SMMEs

Lusikisiki, Eastern Cape, 29 April 2021: The completion of the multi-billion-rand N2 Wild Coast Road Project will significantly contribute to economic growth along the coast of South Africa and into neighbouring countries, says Skhumbuzo Macozoma, Chief Executive Officer of the South African National Roads Agency SOC Limited (SANRAL). Addressing the 'Taking SANRAL to the Wild Coast' stakeholder engagement meeting held in Lusikisiki yesterday (Wednesday), Macozoma said the new N2 Wild Coast Road would open a new trade corridor between Limpopo, Mpumalanga, KwaZulu-Natal, Eastern Cape and Western Cape, as well as between South Africa and neighbouring countries such as Mozambique, Swaziland and Lesotho.

"SANRAL is working hard to complete the N2 Wild Coast Road, which will in turn open one of the last economic corridors of our country and will create many new opportunities for economic growth in the post-COVID-19 period," said Macozoma. "The new N2 Wild Coast Road will promote trade and tourism through an economic corridor along the South-Eastern coast of South Africa, as well as between South Africa and several of our neighbouring states. The N2 Wild Coast Road will not only bring with it thousands of new jobs and opportunities for the development of Small, Medium and Micro Enterprises but will also make the movement of people and goods much easier, especially through the Eastern Cape. That is why we have not given up on this project in spite of the difficulties over more than two decades and we will complete construction of the N2 Wild Coast Road over the next few years."

The N2 Wild Coast Road Project represents a significant socio-economic injection for local communities and approximately R4-billion will be spent on targeted enterprises during the construction period.

The Deputy Minister of Small Business Development, Nokuzola Capa, said those opposing the N2 Wild Coast Road were clearly not considering the economic benefits for the region and its people. "Doomsayers make the call that the environment is in danger because of the construction of the road without recognising the economic benefits that the project will bring to the community. Our government will continue to create a conducive environment for everyone to succeed and benefit from the project," she said. The Deputy Minister further noted that her department had the necessary resources to support and coordinate programmes around SMME development, urging community members and other stakeholders to approach the department.



The Executive Mayor of O.R. Tambo District Municipality, Thokozile Sokhanyile, said the stakeholder engagement meeting would also assist in the development of local communities, and urged SMMEs to unite and work closely with SANRAL as well as local and provincial government structures.

“SMMEs need to unite, as opposed to different business formations operating in the district, so that they have one voice when they engage with SANRAL and government generally,” said Councillor Sokhanyile. “We need to have our own Economic Recovery Plan, as stated by President Ramaphosa, and work together as partners and find solutions for SMMEs in the region. SANRAL is here to assist us through infrastructure to support economic development,” she said.

SANRAL’s Regional Manager, Mbulelo Peterson said the road agency’s strategy and policies deliberately focused on the transformation of the construction industry, particularly the impact of SANRAL’s procurement in terms of job creation and opportunities for SMMEs. “As we appoint contractors to execute projects on behalf of SANRAL, we support the construction industry because this industry is critically important but we also want to maximise the participation of black contractors, professionals, suppliers and designated groups in all our projects,” said Peterson.

SANRAL had partnered with key stakeholders to assist black businesses to benefit from project participation. The roads agency has signed memoranda of understanding (MoUs) with role players in the industry to ensure rapid transformation. The MoUs were signed with BELL, Barloworld, WIRTGEN, Pilot Crushtec, NAFBI and SAFCEC to assist with training of supervisory personnel.

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BACKGROUND

The N2WCR project has been endorsed by the Presidential Infrastructure Coordinating Commission (PICC) as a catalyst for economic development in the Eastern Cape Province. It is a major project for the province and forms part of government’s 18 Strategic Integrated Projects (SIPs). The N2WCR is a key part of SIP-3, South-Eastern node and Corridor Development, whose key purpose is to serve as a catalyst to uplift economic growth in the Eastern Cape and KwaZulu-Natal.

The N2WCR is strategically positioned on the N2 route and connects four provinces: Western Cape, Eastern Cape, KwaZulu-Natal, and Mpumalanga, traversing Cape Town, George, Port Elizabeth, East London, Mthatha, Durban and Ermelo.

The project includes two mega bridges, the Mtentu Bridge and Msikaba Bridge. There are also seven additional new major river bridges and several new interchange bridges that form part of the project.

The N2WCR project is SANRAL’s flagship project in the Eastern Cape. The 410km route runs from Gonubie Interchange near East London to the Mtamvuna River on the border of KwaZulu-Natal and Eastern Cape



near Port Edward. The project has been underway since 2011, however the major greenfield portion of the route between Port St Johns and Port Edward only started in 2016.

The green fields portion of the project traverses the Wild Coast, through the O.R. Tambo and Alfred Nzo District Municipalities. Local municipalities affected by the project include Port St Johns Local Municipality, Winnie Madikizela-Mandela Local Municipality (formerly Mbizana) and Ingquza Hill Local Municipality.

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Issued by FTI Consulting on behalf of the South African National Roads Agency SOC Limited (SANRAL). For editorial content or additional information contact: pressoffice@nra.co.za