

Gibela-Rail Manufacturing Plant boosts Gauteng economy

Since its launch in 2018, the activities of the Gibela-Rail Manufacturing Plant have added R8.1bn into the economy of Ekurhuleni and the Gauteng City Region's Gross Domestic Product (GDP).



Image source: [Gallo/Getty](#)

"This facility has created a total of 5,129 jobs, trained 2,540 people through its skills development programme and benefitted 3 620 community members from its local upliftment programmes," Gauteng Premier David Makhura said on Wednesday.

The Premier was speaking during his visit to the plant where he highlighted the progress that has been made by the provincial government in boosting the local manufacturing capacity and re-industrialising the province.

The factory was officially unveiled by President Cyril Ramaphosa in October 2018 as one of the most ambitious re-industrialisation initiatives and the biggest passenger rail modernisation project ever undertaken by the post-apartheid administration with an investment of R50 billion over ten years.

"This Gibela-Rail manufacturing factory is Africa's largest and most advanced train manufacturing facility. At full production, the factory will be able to manufacture 62 trains a year, using cutting edge technology (manufacturing 4.0) with local artisans and engineers, in order to replace the old Passenger Rail Agency of South Africa (PRASA) rolling stock and

deliver 600 mega trains over ten years," the Premier said.

The factory has delivered 37 brand-new train sets to PRASA, in addition to the 20 manufactured in Brazil.

Makhura said the plan for the plant was that all the jobs created in the factory should be filled by South Africans, with the aim to employ 85% historically disadvantaged persons and at least 25% of those would be women.

"We are happy to learn that the factory exceeded these targets with 100% jobs created being filled by South Africans, 90% of the personnel employed during the manufacturing phase were historically disadvantaged persons and 82% of the jobs created went to the youth.

"This Gibela factory has also far exceeded the target it set for women by 23% during the manufacturing phase and this is truly impressive, as this industry was previously male-dominated. Forty-six percent of the employees are women, of which 22% of top management, 41% of middle management and 55% of junior management are Black women," the Premier said.

The Gibela factory has also set to achieve a minimum of 65% local content on the new trains, creating opportunities for the emergence of a range of supplier businesses.

"We are informed that the local content and small business development is in line with the original commitment and so far R6.4 billion has been spent on this transformative goal. This factory uses 85 South African suppliers who produce cables, metallics, interiors and subsystems and 154 tonnes of South African steel is used per train," the Premier said.

From an advanced manufacturing and green industrialisation perspective, **the trains produced by this factory have the following smart features:**

- Consume less energy than old trains;
- Lightweight stainless steel structure;
- Dignity, passenger safety and comfort, with more space, unlike current old trains which were designed with cheap Black labour in mind;
- Adheres to global safety standards, with an anti-crash system;
- Monitoring system to ensure the trains run on time – train delays very common in current old system; and
- 120km per hour speed.

"Gibela-Rail manufacturing factory is an example of how government can collaborate with the private sector to unlock the transformative potential of our economy – to build an economy that is inclusive of Black industrialists, township entrepreneurs and artisans, and bring in women and youth, through robust skills development and empowerment, to play a meaningful role.

"We have long held the view that manufacturing is the backbone of any modern economy and any future economy and we share a vision that, as a province, everything we do should be aimed at revitalising the manufacturing base. As government, we are determined to resuscitate the manufacturing sector for its potential not only to create job opportunities but also support secondary industries," the Premier said.