

SAB shows off shiny first phase of upgrades at Ibhayi Brewery

Completed project will see R510m invested in Bay to ramp up production and add new lines



CHECKING PROGRESS: Touring the Ibhayi Brewery plant on Thursday are, from left, plant manager Thembinkosi Thwala, chief executive Richard Rivett-Carnac and East Cape premier Oscar Mabuyane

Image: EUGENE COETZEE

Keeping to its pledge of investing R4.5bn into the SA economy, SA Breweries (SAB) has completed the first phase of a R510m investment at its Ibhayi Brewery in Nelson Mandela Bay.

A new brew house and blending plant are being added as the company prepares to kick start its Project Beyond, which will add Flying Fish and Redds to its lines by April.

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A total of R111m has already been used for the upgrades, with phase two having a budget of R399m set to be completed by year-end.

Once completed, the brewery will have its total production output ramped up from 220-million litres to just under 300-million litres a year.

SAB chief executive Richard Rivett-Carnac revealed the progress at the brewery on Thursday during a tour with Eastern Cape premier Oscar Mabuyane and mayor Retief

Odendaal.

He said the expansion was in line with the company's key priorities to optimise production capacity.

Phase two of the investment will focus on upgrades across the brewery to optimise the site as the additional volume from the three blends – two types of Flying Fish and Redds – comes into its production lines.

Rivett-Carnac said the investment showed that the company had continued having confidence in the economy and direction of the city.

“The reality is that government and business are working together to solve the problems we have as a country, and we believe that as things come up we will solve them together.

“We have a growing SAB and we will need more investment as we are doing here in Ibhayi.

“We want to build the most aspirational company in SA that supports people and creates jobs.

“This investment is a part of that,” he said.

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While most of the operations were automated, Rivett-Carnac said an additional 14,000 jobs were expected to be added through the value chain from the expansion.

Rivett-Carnac said the investment had now surpassed that original pledge made at the 2022 presidential investment conference.

The company had revealed that it would be investing R270m at the Ibhayi plant while R650m would go into the Prospecton Brewery in Durban.

The R920m between the two plants was part of the R4.5bn it had pledged.

Mabuyane said he was happy the company had delivered on its promises.

“We are happy as a province and we really need more [investments].

“We do not want to see any investor being turned away,” he said.

Mabuyane also criticised the recent spike in shootings which had seen many killings in Kwazakhele.

“Nelson Mandela Bay is our provincial economic hub and we cannot tolerate what is happening.

“If it’s not stopped it will really be a threat to any investment coming here,” he said.

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Mabuyane linked the shootings to SMMEs operations, which he said had moved away from trying to create employment but rather securing “their 30%”.

“There is this new trend now, of 30% local content, where people do not want to do business and just want to be given money.

“If you have won a tender you must just give people money by force.

“We will not allow that.

“We want to create jobs, even on the 30%, people must create jobs.

“This thuggery happening here – even if it’s done in the form of [gangsterism] – it’s something we will not coexist with,” he said.

Ibhayi Brewery plant manager Thembinkosi Thwala said they would be looking to take on more local partners as the expansion continued.

“We are partnering with a lot of our local SMMEs to be part of the project,” Thwala said.

“As it stands we already have eight working with us, and as we move forward, we are hoping to add more.

“We now have a full-time community liaison officer.

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“We belong to Ward 30, but we have a lot around us and would like to reach out to all of them,” he said.

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