



  
**GIBELA**

**A NEW PARADIGM FOR  
SOUTH AFRICAN COMMUTER RAIL TRANSPORT  
AFRICA RAIL 2016**

Marc Granger, CEO | Pre-Africa Rail | Sandton | 27 June 2016

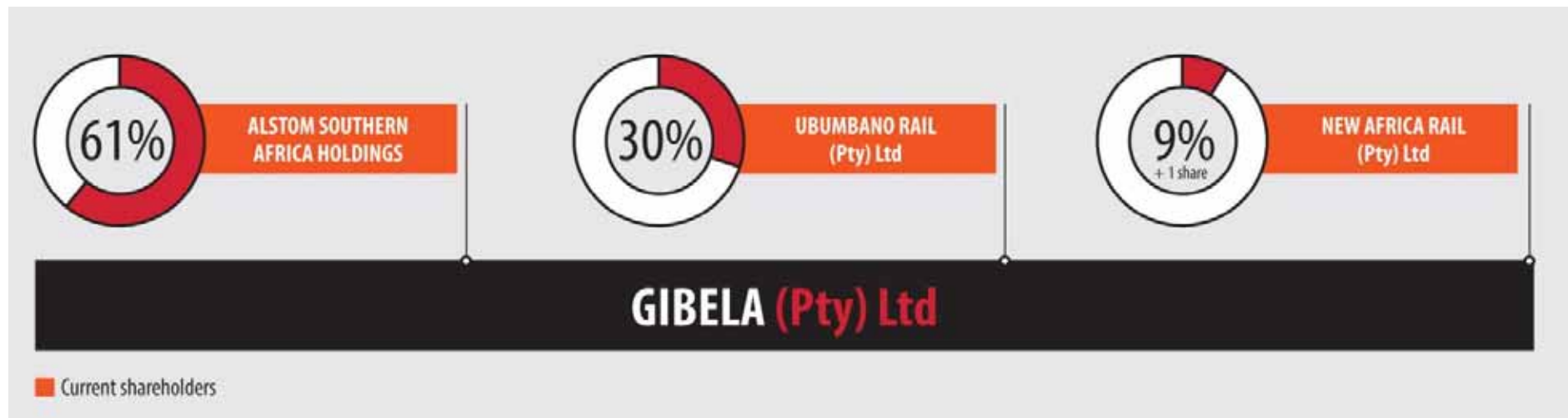
# OUR JOURNEY

- Gibela is a South African rail company
  - A consortium originally to tender for the replacement of SA's outdated commuter rolling stock
  - customer: Passenger Rail Agency of South Africa (PRASA)
    - deliver 600 cutting-edge passenger trains (3 600 coaches) over 10 years
    - maintenance, spares supply, technical support over 19 years



# CORPORATE STRUCTURE

- Structured to drive development and growth of BEE companies operating in the rail sector
  - 61% Alstom Southern Africa Holdings
  - 9% New Africa Rail: black-owned rail/infrastructure conglomerate
  - 30% Ubumbano Rail: 100% black-owned





## OUR VISION

Lead the **REVITALISATION** of the South African railway sector and become a **CATALYST** in PRASA's endeavours to elevate commuter rail as **TRANSPORT MODE OF CHOICE** for **ALL** people in the urban areas

# PROJECT FACTS

- R51 billion manufacturing contract
- X'Trapolis Mega:
  - first 20 being built in Brazil
  - 580 in South Africa
- Purpose-built train manufacturing plant under construction
- Manufacturing rate: 62 trains a year
- 10-year period



# THE X'TRAPOLIS MEGA TRAIN

- Alstom technology
- High-capacity metric-gauge train
  - accommodates 1,200 passengers in six coaches
  - 120kmph (upgrade to 160kmph)
- Lightweight, stainless steel structure
  - locally-sourced steel
  - energy-efficient
  - components 90% recyclable
- Spacious, modern design
  - easy access for mobility-challenged
  - LED lighting
  - CCTV, WiFi



# MANDATE FROM PRASA

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Our mandate has three parts:

- 1 Foster rail as preferred mode of commuter transport for all South Africans

Build new, reliable, safe trains for SA's 2.3 million daily rail commuters
- 2 Revitalise SA railway industry

Support customer with maintenance operations for 19 years

Build manufacturing/parts/maintenance/ training facilities
- 3 Create jobs

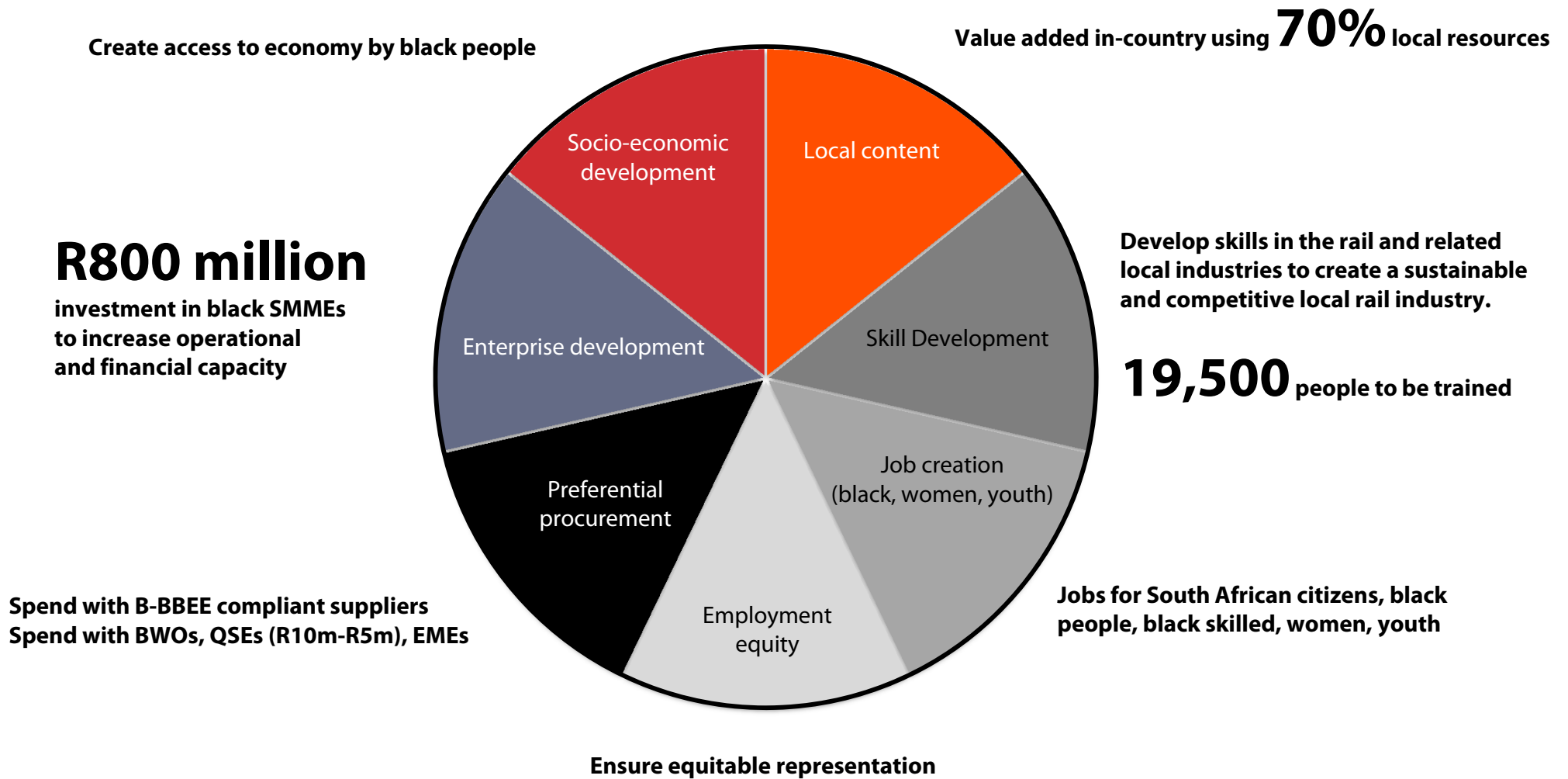
Develop skills

Achieve > 65% local content

Promote black economic empowerment

Support communities

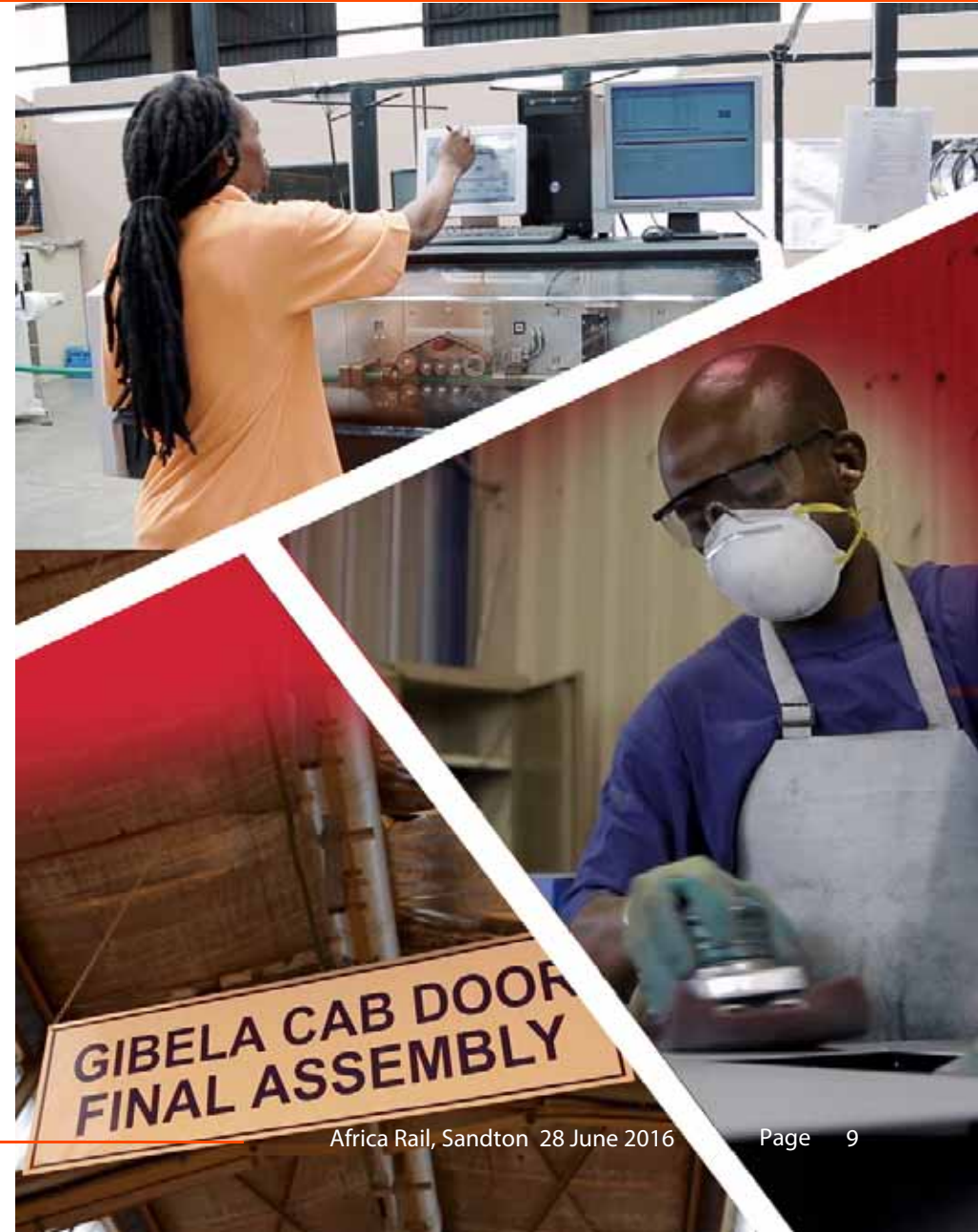
# ECONOMIC DEVELOPMENT MANDATE





# LOCAL CONTENT OBLIGATIONS

- Targeting 70% local content at peak of manufacturing
- Source local supplier network for materials, components and services
  - 47 contracts already in place
  - 32 local suppliers provided components for trains being built in Brazil
- Supplier development to enhance industrial capacity in the manufacture of products, redesigned to meet modern, international standards
- Supplier Park complex to enable speed of delivery of components
  - supplier proximity to amenities set up to elevate performance



# WORLD-CLASS MANUFACTURING FACILITY

- R1 billion train manufacturing facility in Dunnottar
  - 78 ha site
- Designed to highest international environmental standards
- Maintenance and engineering services
- Centre of train manufacturing excellence
- Maximum capacity by end 2019
- 1,500 people to be employed

Manufacturing buildings  
• 31 500m<sup>2</sup>

Training centre:  
• 4 000m<sup>2</sup>  
• to train 19 500 people

Testing centre:  
• static test buildings  
• 1.2 km test track

# CHALLENGES

- **Technology**
  - 40-year technology gap to be addressed
- **Volume**
  - 30 cars per month
  - aggressive ramp-up
- **Advanced manufacturing process**
  - 10 000 parts to assemble
  - 250 industrial activities on site, all interlinked
- **Quality**
  - latest international standard
  - 'get it right, first time' critical
- **Safety**
  - for employees, at all times
  - zero harm



# WHAT WE HAVE ACHIEVED

2012

October 2013

April 2014

May 2014

July 2014

November 2014

2015

Gibela becomes the preferred bidder in Prasa's rolling-stock renewal project

R51 million contract signed with Prasa for supply of 600 commuter trains

Contract becomes effective

First design review meeting

Official launch of Gibela

South African engineers sent to France for training

Focus on training, skills and supplier development

# WHAT WE HAVE ACHIEVED CONT'D

March 2015

July 2015

August 2015

December 2015

End 2015

February 2016

June 2016

Gibela hosts a Supplier Day to engage with potential suppliers

First train manufactured at Alstom's Lapa plant in Brazil – built with 20% South African content

Environmental Impact Assessment approved

Water Use Licence approved and site handed over

First test train arrives in SA from Brazil

Phased-in construction of Dunnottar manufacturing plant begins

Six trains already undergoing testing in SA

# WHERE WE ARE GOING

October 2016

Q1 2017

Q2 2017

Q3 2018

2028

2035

First train delivered to Prasa to operate on SA's rail network

First intake of training centre apprentices

Start of production of first locally-produced train

First proudly-South African trains in service

Manufacturing completion

Maintenance contract and project completion



  
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