

R100m jewellery factory to be opened in Kimberley

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The world's renowned city of diamonds, Kimberley, is to open a factory worth R100 million to manufacture gold jewellery.

"This initiative will focus on mass chain production for the export market - specifically the United States," the Northern Cape Premier's office said in a statement.

The factory will serve as an extension of the Diamond Strategy and the drive for beneficiation in the Southern Africa Development Community (SADC) and specifically South Africa, the office said.

The Gold Chain Technology project, focussing on the production of gold and silver chains, will progressively escalate its production and employment.

It is expected that in four year's time an estimated 300 people will be employed and a total of three tons of gold and five tons of silver will be processed by the factory.

The project is in partnership with the Provincial Government, Q-Quality an Italian company which will contribute skills, technology and access to markets and Solandra a BEE company.

It is also funded by Industrial Development Corporation (IDC) and financially supported by the Augusta-Westland deal which is part of the South African arms deal scheme.

"The impact of this project will have a tremendous influence on the Northern Cape as well as the national economy and has the potential to expand and to compliment existing and new ventures."

It will contribute towards the Gross Domestic Profit and trade balance and is a massive boost to government's drive towards beneficiation of local minerals.

"This is a key opportunity for facilitating empowerment in the jewellery manufacturing sector, while continuing regional development among the poorest communities in this country," said Abel Malinga of IDC's mining Strategic Business Unit.

The move will provide South Africa with a toehold into the lucrative world jewellery market.

Currently annual gold retailing demand tops 2800 tons, translating into a R450 billion industry.

Principle consumers include India (25%), the US (18%) and China (12%) with the major producers being India (19%), Italy (10%) and Turkey (9%).

Gold Chain Technology said it will have trained 460 people in jewellery manufacturing and design within five years and achieve sales knocking on R1 billion annually within five years.

“The bulk of the skills will be transferred from Italian technicians to locals with several future trainers acquiring machinery and equipment training in Italy,” the organisation said.

Furthermore, the Provincial Government and De Beers will also establish an academy to promote the jewellery profession in the provinces. Students from this academy will be absorbed by Gold Chain Technology.

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