



Media release

PPC CEO calls for collaborative action, rigorous quality controls and level playing field, to revitalise SA's cement and construction industries

[Johannesburg, 5 November 2024] – Matias Cardarelli, CEO of PPC, the leading cement producer in Southern Africa, urges a unified approach among government, private sector and industry stakeholders to breathe new life into South Africa's cement and construction sectors. After more than a decade of stagnation and minimal infrastructure projects, a new opportunity is on the horizon as both public and private entities recognise the urgent need for enhanced infrastructure development.

"South Africa stands on the brink of a fresh start for the construction sector," stated Cardarelli. "To achieve the economic growth necessary to tackle our staggering unemployment, it is vital that we collaborate in launching critical infrastructure projects. The construction industry has historically been one of the largest employers in our country, and reviving it is essential for reducing unemployment."

With a government ready to take action, there's hope that pending infrastructure initiatives can finally be realised. However, for this revival to be sustainable, the local cement industry must operate under strict quality accountability measures. "Establishing checks and balances to ensure product quality is essential," Cardarelli emphasised. "Public safety must always be our top priority, and the government must enforce quality standards across all producers, both local and international."

Likewise, local companies that sell their cement to blending companies must be held accountable for the final end quality of the cement sold to end users. Quality tests have revealed substandard quality cement in the market from some blending producers who purchased the original cement from some well-known cement companies. This represents a public safety risk that should be controlled by both the government and the cement companies that supplied the original cement to blenders."

Cardarelli further highlighted issues in market fairness, pointing out that imported cement must adhere to the same stringent environmental and labour standards as local products. "For imported cement, the government must not only guarantee quality but also ensure it is produced under the same environmental, labour and safety standards required of local producers. A double standard is not acceptable."

For example, a carbon tax is being placed on local cement producers, which is worsening their financial situation. However, this tax does not apply to imported cement, giving foreign competitors an unfair advantage. As a result, importing cement becomes more financially appealing than producing it locally.”

As local companies grapple with high electricity and transportation costs and deal with the repercussions of inefficient management decisions over the years, a restructure is imperative for their survival. "It is critical for all stakeholders—producers, customers, suppliers, and regulators—to engage in rebuilding efforts. Sustainable success is dependent on collaboration and proactive measures."

Cardarelli also advocates for the adoption of non-fossil energy sources within the cement industry. "Transitioning to greener energy options will not only help reduce carbon emissions but will also lower production costs," he explained. Achieving this transformation will require a committed partnership between the public and private sectors.

"The time is now for decisive action," Cardarelli concluded. "We must break the cycle of stagnation and begin activating projects that can secure a successful future not just for the cement industry, but for the South African economy as a whole. Collective involvement is crucial—we must work together to create a prosperous and sustainable environment for generations to come."

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About PPC Ltd

PPC is an iconic material and solutions provider of quality and consistent cement, aggregates, readymix and fly ash, and provides technical support to its customers. PPC’s story stretches back over 130 years to where it was first incorporated on the outskirts of Pretoria in 1892. As the first cement plant in South Africa, and now operating outside of these borders, the industry leader has established itself as a resilient organisation by adapting to ever-changing economic, operating and political environments. PPC is proud to be a leading provider of quality building materials and solutions to empower people to experience a better quality of life. Follow PPC on LinkedIn PPC Africa, on X @PPC_Africa, like us on www.facebook.com/PPC.Cement and visit us at www.ppc.africa.