

# General Electric seeks new sectors in SA

By [Nick Hedley](#)

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General Electric (GE), which is supplying a total of 376 locomotives to Transnet, is looking for opportunities in other sectors in SA, including healthcare and energy.



GE's Tim Schweikert says that the company is looking at expanding its operations in South Africa by venturing into new sectors that include rural healthcare and energy. Image: [China Daily](#)

GE is buying the power and grid business of French group Alstom, which has provided equipment and services to most of SA's coal power plants and to the Koeberg nuclear power station.

The President and Chief Executive of GE in SA, Tim Schweikert, said in an interview last week that the deal would allow GE to provide more of a full solution to the energy sector, as it would add transmission and hydropower capabilities to GE's power portfolio.

Alstom and GE's local units are still operating as separate organisations as the deal is only expected to become effective in the middle of next year.

"I'm looking forward to the day that we can actually start talking to understand a bit about their capabilities here," Schweikert said.

He said that in the mean time GE was looking to grow its healthcare business in SA and other developing markets.

The company supplies medical equipment to clinics, but is also hoping for some growth in the rural healthcare sector, where it supplies mobile products.

## Rural healthcare

Schweikert said the company's rural healthcare products include handheld ultrasound machines and more affordable MRI scanners - both of which had nearly the same functionality as the standard products but were much cheaper, .

While GE's other business units include mining, water, and oil and gas products, its biggest focus in SA is transport.

Schweikert said GE was building up its rail service teams in countries such as Mozambique, where it is supplying locomotives to mining company Vale and to Mozambique's national rail operator.

In Africa, SA is way out in front in its recognition that investment in rail is an essential driver for economic growth and trade, though other neighbouring countries were beginning to understand this.

Schweikert said the lack of well-maintained rail infrastructure and lack of funding were holding back new investments.

He said GE was helping national rail operators formulate business cases. Together with the US government, GE is funding a feasibility study to look at what it would take to get Namibia's railroad up and running.

In SA, GE says it has spent R1.7bn over the past three-and-a-half years as part of its competitive supplier development



GEs supply 376 new locomotives to Transnet but the company is looking to expand its energy activities after buying Alstom South Africa and is looking a providing healthcare solutions to rural parts of the country as well. Image: [US Embassy](#)

programme.

Meanwhile, Alstom's rail unit is supplying 600 passenger trains to the Passenger Rail Agency of SA, together with its consortium partners. The contract, worth R51bn, is the largest project in Alstom's history.

Alstom's sale of most of its power business to GE (a deal worth €12.35bn) allows it to focus on its more buoyant rail operations according to Alstom's Chief Executive Patrick Kron.

Source: BDPro via I-Net Bridge

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