

Wesgro locks down R4.1bn in new direct investments for Cape Town and Western Cape

Cape Town and the Western Cape's economy is due for a boost as more than R4.1bn in new direct investments is expected to make its way into the region over the next five years.



Source: [Pexels](#)

This will help create 1,507 new direct jobs. Wesgro has been working closely with public and private-sector stakeholders to ramp up efforts to attract more investment into the region.

The agency's investment results for the 2022/2023 financial year continue to point to the attractiveness of Cape Town and the Western Cape as an investment destination of choice.

A total of 14 new projects were facilitated during the period under review, and investments occurred across multiple sectors:

- More than 50% of the direct investments into the province come from foreign investors, with Norway, Germany and the United States being the leading foreign investors in the Western Cape for the period under review.
- R1.3bn of the investments facilitated were for the expansion of existing businesses in the destination.
- The majority of the investments were attracted into sectors within the green economy; renewable energy manufacturing, waste economy, sustainable agriculture and electric mobility.
- Pharmaceuticals comprised 17% of the investment facilitated.

The province is one of South Africa's key economic regions, contributing about 14% to the country's GDP.

Attracting investment is key to creating jobs in the Western Cape. Notably, the Western Cape's information and communications technology (ICT) and green economy sectors are successfully fuelling the province's competitiveness at a global level, and over the past decade more than half of the investment value has been attracted into these key sectors.

With recent policy shifts to open the energy market to private investment, investment into clean energy technologies is expected to increase exponentially.

The lowest carbon area in South Africa

Wesgro chief executive officer Wrenelle Stander, said the ongoing energy crisis in the country is fuelling investments into renewables, which bodes well for Cape Town and the Western Cape. The region, blessed with abundant sun and wind, has been pushing to position itself as the lowest carbon area in South Africa and the leading green economic hub in Africa.

"I am pleased with these results, and would like to acknowledge the dedication of the GreenCape team in working with us to land significant investment in the province.



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"We are seeing more opportunities emerging right here in our province driven by international shifts to clean energy; geopolitics; the load shedding crisis; and importantly, policy reforms in the energy space.

"With recent policy shifts to open the energy market to private investment, investment into clean energy technologies is expected to grow."

This is expected to boost energy security in the medium to long term.

Investment support ecosystem

Close collaboration and partnership between Wesgro, InvestSA, provincial and local government, GreenCape, the Atlantis Greentech Special Economic Zone and Freeport Saldanha, ensures that the investment support ecosystem in the province provides for easy market entry and investment facilitation.

Mayoral committee member for economic growth at the City of Cape Town, Alderman James Vos, said: "As the City, we have prioritised goals within our economic action plan for the delivery of investment promotion. This is why we fund and work with partners such as Wesgro.



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"In Cape Town, we are creating a city of hope in which it is easier to do business and produce job opportunities." Western Cape minister of finance and economic opportunities, Mireille Wenger, said:

“The more investments we land, the more jobs we can help create, and I welcome the work done by Wesgro to facilitate significant investments into the Western Cape over the next five years.

“The team continues to be on hand to help investors interested in the Western Cape and to provide strategic guidance on regulatory requirements, to make it as easy as possible to do business.

“Wesgro, together with the private sector, is and will continue to be a vital catalyst for economic growth and job creation in the province. As the provincial government, we will continue to play our part by supporting and enabling the private sector, which is the key driver of job creation.”

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