



TRADE & INDUSTRIAL POLICY STRATEGIES

TIPS  
TRACKER



Tracking quarterly trends and analysing foreign direct investment, imports and exports

# FOREIGN DIRECT INVESTMENT TRACKER

## FIRST QUARTER 2022

Compiled by Kelello Mashiane and Rethabile Molala

### TIPS TRACKERS

TIPS FDI Tracker monitors inward foreign direct investment projects. It reports on new FDI projects, analyses these, and adds them to an ongoing list of investment projects.

TIPS Export Tracker provides updates on export trends, and identifies sectors and products that are performing well and those that are lagging.

TIPS Import Tracker provides an overview of import patterns and looks at the causes of surges in manufacturing imports, and their likely impact on industry.

Trade & Industrial Policy Strategies (TIPS)  
info@tips.org.za | +27 12 433 9340 | www.tips.org.za

## CONTENTS

|   |    |
|---|----|
| FDI Projects, Q1 2022.....  | 3  |
| Categorisation of South African Investment Conference projects..... | 3  |
| New FDI projects.....   | 4  |
| Manufacturing.....  | 4  |
| Mining.....   | 6  |
| Transport.....  | 7  |
| Services.....   | 7  |
| Retail.....   | 8  |
| Utilities.....  | 8  |
| Updates.....  | 9  |
| Progress.....   | 9  |
| FDI Trends, Q1 2022.....  | 10 |
| Investment values.....  | 10 |
| Investment stages.....  | 11 |
| Investment type.....  | 11 |
| Investment by location and industry.....                            | 12 |
| Investment by country of origin.....                                | 16 |
| Investment by target market.....                                    | 18 |
| Investment Environment.....   | 18 |
| Barriers and Constraints.....                                       | 22 |
| Credibility classification.....                                     | 23 |
| References.....   | 36 |
| Appendix.....   | 40 |

## ABOUT THE FDI TRACKER

The FDI Tracker traces the foreign direct investments that are made in South Africa every quarter, based on publicly available and published data. This information is synthesised into a database and categorised across a number of important variables. These include investment values, project timeframes, number of jobs created, and the identity of the investor, among others. The Tracker also includes an analysis of the investment environment within the country, analysing key metrics of investment activity. Due to the sensitivity of private investment data, all variables cannot be publicly accessed, and when this is the case, the absence of data and assumptions are noted.

The FDI Tracker aims to assist policymakers and other relevant stakeholders in understanding the types of investments made each quarter. It also assists in assessing the extent to which pro-investment policies support actual investments. Extracting the barriers and constraints investors face indicates policy blockages that can be removed to improve the investment environment and hence economic growth.

New Investments refer to investments that were not previously captured in the database. The investment is dated from when it first appears in the database. Updated Projects refer to any substantial change in a project already profiled.

The new projects for the quarter are included as comprehensive profiles at the end of the report.

## FDI PROJECTS, Q1 2022

In the first quarter of 2022, 33 new projects were added to the Tracker, of which 30 recorded a total pledged investment value of R79.4 billion for the period. With the exception of three investments, projects captured this quarter were announced at the South African Investment Conference (SAIC) held in March 2022. The Tracker further identified 3 720 employment opportunities from five projects, comprised of 1 720 permanent jobs and 2 000 temporary opportunities. Monitoring has updated 12 projects previously added to the Tracker.



### Categorisation of South African Investment Conference projects

The fourth SAIC garnered commitments from 80 local and foreign companies that cumulatively amounted to R322 billion. The Tracker identified 31 pledges from foreign investors. The sum total of their commitments makes up the entire investment value for the first quarter of 2022 – R79.4 billion. At the previous Conference, held in November 2020, there were comparatively fewer pledges. Within the context of the COVID-19 pandemic, and difficult economic conditions, commitments from 50 domestic and foreign companies amounted to about R190 billion in 2020. For FDI projects in particular, 21 foreign companies were identified in 2020 with a total pledged value of approximately R36 billion. According to Government reports, since the inaugural Investment Conference held in 2018, 152 pledges have been made that amount to about R774 billion. Thus far, approximately R316 billion has been invested, 45 projects completed, while 57 are under construction and 15 suspended as a consequence of the COVID-19 pandemic (SANews, 2022a).

Some of the projects announced at the recent Investment Conference were already in the pipeline. This has been characteristic of commitments from all the Conferences. These are either pre-existing pledges, or projects that build and expand on existing project plans. When pledges build on existing commitments, key details like the value sometimes include established projects in their calculation. This mixing of existing and new commitments complicates the categorisation of projects. Further, the Investment Conference likely plays a role in reinforcing support for existing projects. To the extent that the data allows, the Tracker attempts to distinguish new projects that are a product of the Investment Conference, from existing investment.

At this year's Conference 22 French companies made a collective R50 billion pledge. These companies include Advini, Air Liquide, Alstom, BNP Paribas, Bolloré Logistics, Bureau Veritas, Danone, EDF, Engie, Kasada, Leroy Merlin, Limagrain, L'Oréal, Mobilias, Pernod Ricard, Sanofi, Saint-Gobain, Schneider Electric, Séché, Total Energies, Trace and Veolia. The firms operate in diverse industries including renewable energy, retail and various manufacturing subsectors (Burger, 2022). The details of the individual investments by each company have not yet been reported. However, information will be updated as it becomes available. It is notable that projects may not all be new investments as some may build on existing activities or ongoing projects. This new round of commitments follows a similar announcement when R20 billion was pledged at the 2019 SAIC, which have since been completed.

## **New FDI projects**

In the first quarter of 2022, investment was dominated by manufacturing projects, which captured the highest investment value and recorded a significant number of pledges. Projects are grouped by sector for the purpose of project description. Further, due to the number of manufacturing commitments, manufacturing commitments are organised by subcategories. The three projects identified outside the 2022 Investment Conference are Tharisa Mine's solar PV project, Audi/GridCars electric vehicle chargers and the Sedibelo Pilanesberg Platinum Mines (PPM) energy project.

### **Manufacturing**

#### **Renewable energy**

Seraphim is a global manufacturer of solar modules, based in China. It announced a R437 million investment that will go towards the production of solar photovoltaic (PV) cells and modules. The project will include two facilities with equipment that enables the expansion of existing manufacturing capacity from 100 MW per annum to 1 000 MW. The project will take place in the Eastern Cape (DMRE et al., 2022; Seraphim, n.d.).

Polarium is a Swedish manufacturer that specialises in backup and hybrid power storage, electric vehicle (EV) charging, and micro-grid solutions. The sustainable storage solutions are based on lithium-ion technology. Sectors that Polarium serves include telecommunications, commercial, and industrial segments. The company is establishing operations in South Africa where it will manufacture lithium-ion batteries. The R30 million plant will be based in the Western Cape (Creamer, 2022; Polarium, n.d.).

#### **Clothing and textiles**

PFNonwovens is expanding its Atlantis facility in the Western Cape for about R650 million. The project aims to further develop the firm's manufacturing capacity. The plant manufactures nonwoven, polypropylene and polyethylene-based textiles used in disposable hygiene products such as baby diapers, adult incontinence and feminine hygiene products. The investment will further allow for more sustainable and flexible production to meet the growing needs of clients, for nonwoven speciality products. It could result in 40 job opportunities. The project includes the introduction of a new specialised machine, Reicofil's R5 which essentially converts raw materials to nonwoven material. The investment is aligned to PFNonwovens global strategy to grow hygiene and medical markets on the African continent. South Africa serves as a base for export to the region (PFNonwovens, 2021; SANews, 2022a).

Compagnie Mauricienne Textile Ltée (CMT) is a global vertically integrated jersey-wear apparel manufacturer. The company plans to establish a textile manufacturing plant that will be completed for R390 million in KwaZulu-Natal. CMT specialises in the design and production of fast-fashion products for clothing brands and fashion retailers. The company is headquartered in Mauritius (Compagnie Mauricienne de Textile Ltée, n.d.; SANews, 2022a).

#### **Food and beverages**

AB Inbev-owned South African Breweries (SAB) announced plans to invest an additional R920 million into its breweries in Prospecton (KwaZulu-Natal) and Ibhayi (Eastern Cape). The majority of the investment, R650 million, will be dedicated to expanding the Prospecton Brewery while R270 million will go towards upgrading the Ibhayi brewery. The new commitments are on the back of SAB's 2021 announcement to invest R2 billion in capital expenditure projects (Bulbulia, 2022a; BusinessTech, 2022)

Lotus Bakeries is a Belgian company that pledged R170 million towards manufacturing confectionery foods in the Western Cape. Lotus specialises in producing an assortment of biscuits under various brands. In South Africa it manufactures products under the brand BEAR, comprising of food snacks made from whole fruits. Lotus opened its first manufacturing facility in South Africa in 2019, a second in 2021 and a third appears to be the focus of this investment, which will be opened by 2023 (Lotus Bakeries, n.d.; South African Government, 2022a).

### **Automotives and household appliances**

BMW committed R800 million towards automotive manufacturing in Gauteng. Similarly, Volkswagen South Africa (VWSA) pledged R350 million in its' manufacturing operation in the Eastern Cape. Detailed project plans for both commitments have not yet been disclosed (SANews, 2022a).

Defy pledged to invest R317 million in the firms KwaZulu-Natal manufacturing plant. The company is a subsidiary of Turkish based Arçelik. Details of the project plan have not yet been shared (SANews, 2022b).

### **Pharmaceuticals and cosmetics**

NantWorks is a multinational, technology conglomerate with companies operating under three pillars in the fields of healthcare and life sciences: energy and renewables: and connectivity and communications (NantWorks, n.d.). It was founded by Dr Patrick Soon-Shiong, scientist and inventor of the first human nanoparticle chemotherapeutic agent Abraxane. NantWorks has signed a collaboration agreement with the South African Government's Council for Scientific and Industrial Research (CSIR), the South African Medical Research Council (SAMRC) and the Centre for Epidemic Response and Innovation. They will further be working with four local universities (University of Cape Town, University of Witwatersrand, Stellenbosch University and University of KwaZulu-Natal). The broader project aims to expand manufacturing of biologics, immunotherapeutics and vaccines in South Africa through technology and knowledge transfer, and advanced manufacturing facilities established through NantAfrica. Materials will be availed for DNA, RNA, adjuvant vaccine platforms and cell therapy in partnership with the CSIR and SAMRC. The universities will aid in establishing centres of excellence that will treat infectious diseases. The investment will result in 400 employment opportunities (CSIR, 2021; Keenan, 2022; South African Government, 2022b).

US firm Proctor and Gamble (P&G) plans to invest R450 million to expand its diaper manufacturing plant in Gauteng. Pfizer pledged R255 million to staff the Biovac Institute with the aim of increasing COVID vaccine production. Biovac is a bio-pharmaceutical company in the Western Cape, formed in 2003 in partnership with the South African government to establish local vaccine manufacturing capability (Biovac, n.d.; Le Roux, 2022; Lindeque, 2022). India-based Cipla announced a R150 million investment in the pharmaceutical sector in KwaZulu-Natal. The project development plans for these commitments are not yet available (SANews, 2022a).

### **Packaging**

Huhtamaki Fiber Packaging is a global food packaging specialist. The company announced plans to expand its manufacturing capacity with a new facility in KwaZulu-Natal valued at R150 million.<sup>1</sup> The unit will manufacture fibre packaging. Huhtamaki focuses on delivering products and services in two areas, fibre and foodservice packaging and flexible packaging. Fibre and foodservice offers moulded

---

<sup>1</sup> A fibre manufacturing facility was announced in May 2021. There has been no indication whether it has been completed and operational, however this was expected to take place at the end of 2021. Huhtamaki has an existing plant in KwaZulu-Natal, the 2022 Investment Conference announcement potentially refers to the expansion of the plant to add the new fibre manufacturing facility.

fibre and paperboard packaging for fresh food and drinks for fast casual restaurants and coffee shops as well as egg, fruit and vegetable producers. The flexible packaging business produces light flexible packaging materials, pouches and labels for products including food (such as confectionery, cereals, soups and sauces), beverages and pet foods. The project will create 30 employment opportunities (Huhtamaki, 2021; SANews, 2022b).

The Ardagh Group based in Luxembourg announced a R1.5 billion investment for a new glass packaging facility in Gauteng. Ardagh is partnering with Consol Glass on the project (SANews, 2022b). The Ardagh Group is a global supplier of recyclable metal and glass packaging. At the time of this announcement, Ardagh was in the process of acquiring Consol and waiting for approval from regulatory authorities (Consol Holdings, 2021).

### **Metals and non-metallic minerals**

Velocity Venture committed R470 million towards developing an aluminium and steel plant. More information on the project and the firm is not currently available (SANews, 2022b).

At the 2022 Investment Conference, Hangda Trading announced a R300 million investment to develop a steel manufacturing plant in the Free State province (SANews, 2022b). While it is not clear that this is the same project, Hangda is currently developing a steel smelter, having commenced constructing in 2020. The firm is among companies that are setting up operations at the Botshabelo Industrial Park, managed by the Free State Development Corporation. The park is one of the beneficiaries of the Department of Trade, Industry and Competition's Revitalisation of Industrial Parks Programme (Liedtke, 2020). The plant will use heat furnaces to melt recovered ferrous scrap metal as a process for secondary steelmaking. Plant infrastructure would further include a 132 kilovolt substation. The project intends to employ the latest global and local steelmaking technology and cleaner production techniques. The project could create 2 000 employment opportunities (Modise, 2019).

Chinese company Rayal Industrial manufactures and distributes porcelain floor and ceramic roof tiles, supplying the construction industry and wholesalers. The firm plans to invest R280 million towards a manufacturing plant in Gauteng. It has operations in Bronkhorstpruit and has been in South Africa since 2011. A detailed project development plan is not yet available (Rayal, n.d.; SANews, 2022b).

### **Mining**

Sedibelo Platinum Mines is expanding the operations of PPM into adjoining deposits of Sedibelo Central, Magazynskraal and Kruidfontein. The sites are known together as the Triple Crown properties and the value of the expansion is approximately R9.4 billion. They have an estimated resource base of above 60 million four-element platinum group metal (PGM) ounces with a potential life-of-mine of 60 years. Sedibelo expects to extract the first ounces from Triple Crown in 2023. Two separate decline shaft systems will be used to mine the expansion sites simultaneously with ore from the existing UG2 and Merensky open-pit operations. With minimal reconfiguration of an existing concentrator, Sedibelo will be able to blend and process ore from Triple Crown and the two open-pit mines. The firm further intends to build a 110-thousand-ton beneficiation plant at PPM that makes use of Kell Technology.<sup>2</sup> The technology is said to reduce energy consumption and carbon emissions, improves recoveries and lowers operating costs. The proposed plant is expected to produce PGM metal products refined by 99.95%. Sedibelo shares an interest in Kell South Africa with the Industrial Development Corporation (IDC) and founder Keith Liddell through Lifezone. The project was initially announced at the end of 2020 (Sedibelo Platinum Mines, 2020). The utilisation of the Kell technology

---

<sup>2</sup> Kell is a hydrometallurgical process for the recovery of PGMs, gold, silver, and base metals from flotation concentrates to refined products onsite (Liddell et al., 2019).

is significant as it could potentially change the way ores are refined. Sedibelo will further be the first mine in Southern Africa to commercially employ the technology (Creamer, 2021; Liddell et al., 2019).

## Transport

At this year's Investment Conference, Denmark headquartered transport company DSV committed R2.2 billion in the Western Cape and Gauteng transport and logistics sectors. DSV is already in the process of developing three integrated logistics facilities. Construction of the DSV Park Gauteng and DSV Park Cape Town is complete, while occupation of the facility in Durban is planned for 2023. DSV aims to deliver efficient end-to-end supply chain solutions through the project by centralising locations in line with the company's global strategy to consolidate office and warehouse space. In addition to consolidating warehouse and administrative/office space, DSV has standardised business processes and invested in technology to improve efficiencies, operational quality, service and turn-around time to clients. DSV is further incorporating best practices in environmental sustainability, such as in the Gauteng logistics park which features solar power, translucent roof sheeting, recycling stations, LED motion lighting, boreholes and water filtration systems to ensure sustainable operations (DSV, 2022; 2021).

Imperial Logistics' R2.1 billion commitment was announced following the Competition Tribunal giving conditional approval to the DP World Logistics (owned by the Dubai government) acquisition of South African firm Imperial Logistics. The DP World/Imperial commitment will go towards capital expenditure in the firms' operations within a period of four years (Competition Tribunal, 2022). The company specialises in cargo logistics, port terminal operations and maritime services and is expanding into Africa. Combining DP World's infrastructure, expertise in ports on the African continent, with Imperial's logistics and market access platforms, will enable the company to integrate end-to-end solutions in the region and internationally (DP World, n.d.; Imperial Logistics, 2022).

Didi Chuxing (DiDi) plans to expand its e-hailing business in South Africa and has pledged R1.2 billion to this end. The Chinese company entered the South African market in 2021 with pilot operations in the Eastern Cape. DiDi is a mobility technology platform that provides e-hailing services similar to other app-based transportation services such as Uber and Bolt (DiDi, 2021; SANews, 2022b).

## Services

Audi has partnered with South Africa's GridCars to install ultra-fast, EV charging station infrastructure across the country. Audi intends to invest in introducing 70 new EV charge connectors across 33 sites to expand the existing public charging network in South Africa. The facilities will be publically accessible. The charge points are expected to provide up to 150 kilowatts of direct current (DC) charge to electric vehicles. The partners commenced installing the infrastructure at the end of 2021. (Staff, 2022; Windell, 2022). The project is being developed for an undisclosed amount.

Siemens committed R484 million for the development of educational software in the healthcare sector. It has not yet been disclosed what this would entail. Details on the projects are limited to information available from the 2022 Investment Conference (SANews, 2022a).

WarnerMedia's R350 million commitment will go towards television series production in the Western Cape. Warner's key TV channels in South Africa include TNT, Cartoon Network, and CNN hosted by DSTV through distribution agreements. Further information on what the investment entails was limited.



Netflix is investing R929 million in television and film production in the Western Cape and Gauteng. The company plans to fund four – one international and three local – South African productions over the next two years (Changole, 2022; Dlodla, 2022).

Airlift Technologies pledged R300 million to establish e-commerce services in Gauteng and the Western Cape. Airlift Technologies is an e-commerce start-up company that offers instant delivery services. The company operates a network of dark stores and mid-fulfilment centres where customers can order household items and groceries (Airlift Technologies, n.d.; SANews, 2022b).

Teraco Data Environments announced a R1.1 billion pledge for the construction of a data centre and power generation infrastructure for its facilities across the country (SANews, 2022b). In 2020, Teraco began construction of the JB4 data centre in Gauteng which is expected to be complete at the end of 2022 for about R4.4 billion (Teraco, 2020).

## Retail

At the Investment Conference this year, EPC announced a R500 million investment that will increase the number of Burger King outlets in South Africa. It is a pan-African private equity fund management firm that targets companies that operate in markets where there is limited competition, or sectors in which Africa has a comparative advantage (ECP Investments, n.d.). The investment is one of the conditions issued by the Competition Tribunal as part of the approval for the sale of Burger King South Africa to EPC Africa. The local business was previously owned by Grand Parade. The firm is required to establish 60 new Burger King outlets, increasing the number of stores to 150. Burger King is further required to increase the existing workforce by adding at least 1 250 new employees (Areff, 2021). EPC Africa is further expected to conclude a new supplier agreement.

The Daimler Truck Southern Africa's (Daimler) investment of R190 million pledge at the SAIC – for new headquarters in Gauteng – follows the company's separation from Mercedes Benz South Africa. This is on the back of the split between Daimler AG and Mercedes Benz AG in Germany. Daimler Truck has been operating as an independent entity fully dedicated to the commercial vehicle business as of December 2021. The new structure's components will comprise retail, sales and marketing, customer services and parts, and a manufacturing plant. Value-added services will be offered such as Mercedes Benz Uptime FUSO Value Parts, among others. To ensure operational continuity, the company will establish infrastructure and access to sufficient resources for the new entity which Daimler has set aside R1 billion for the transition. The headquarters seem to be a part of this investment (Daimler Truck Southern Africa, n.d.; SANews, 2022a).

## Utilities

Tharisa Minerals signed a Memorandum of Understanding (MOU) with French company Total Eren and United Kingdom-based Chariot Transitional Energy. Under the agreement Chariot and Total Eren will develop a solar PV power plant. The energy companies will finance, build, own, operate and maintain the facility at Tharisa Mine. The project is initially anticipated to consist of a 40 MW plant, with demand expected to increase over the life of the Tharisa Mine in the North West. In the long term, the three partners plan to implement a Power Purchase Agreement (PPA) for the supply of electricity. The value of the investment has not been reported (Bulbulia, 2022b). The project was captured outside the 2022 Investment Conference.

Sedibelo further plans to implement a renewable energy programme for Pilanesburg Mines. The initiative comprises two projects that will provide a total 75 MW of renewable energy. The first entails the installation of solar PV and wind systems. These will power PPM's 40 MW mine load through a wheeling arrangement from one sight in Limpopo and another in the Western Cape. This energy would

be acquired through a PPA. Second, the firm plans to construct a 35 MW solar plant either on-site or adjacent to the mine. Sedibelo appointed the juwi/Sturdee Energy consortium to develop the projects. The companies have signed an MOU and initiated PPA negotiations. Sedibelo has not yet disclosed the value of this investment (Sedibelo Platinum Mines, 2022). The project was also not announced at this year's Investment Conference.

## Updates

### Progress

Total, Alston, Limagrain and Air Liquide have completed a R20-billion combined investment announced at the 2019 South African Investment Conference.

Ford has completed upgrades of the Silverton Assembly plant and key supplier facilities, modernising and expanding the facility for the production of the next generation Ford Ranger model. The estimated project value is US\$1.05 billion (R15.8 billion). Once the updated facility reaches full operation, it will have the capacity to produce 200 000 vehicles annually, up from 168 000 before the upgrades.

Following a R1.2 billion investment announced in 2019, Isuzu has launched the seventh generation D-Max bakkie. Isuzu modernised the Eastern Cape Struandale plant, adding new machinery and equipment, among other improvements, to manufacture this model. In addition, the plant has a new body shop and chassis assembly line.

Ivanhoe Mines announced a R2.8 billion expansion of the Platreef PGM mine at the 2022 Investment Conference. Prior to the announcement, Ivanhoe released findings of the firms *Platreef 2022 Feasibility Study*. The study details the progression of the mine and planned developments, including the Phase 2 expansion of Platreef. It assesses Platreef as, initially, a 700 kilo tonne per annum (ktpa) underground mine with a 770 ktpa capacity concentrator. Ivanhoe reports advancing construction of shafts – Shaft 1 is complete – and underground mine works, with first concentrate production for Phase 1 planned for Q3 2024. The study estimates Phase 2's average annual production at 590 000 oz (16.7 tonnes) of platinum, palladium, rhodium and gold (3PE+Au), 26 million pounds (11 791 tonnes) of nickel and 16 million pounds (7 256 tonnes) of copper. The approximate capital expenditure for the Phase 2 expansion is US\$1.5 billion (R24 billion),<sup>3</sup> The Phase 2 expansion will be propelled by the commissioning of Shaft 2, which is expected to happen in 2027. This would be followed by the completion of two 2.2 million tonnes per annum (Mtpa) concentrators in 2028 and 2029. The project already exists in the Tracker, and is being updated accordingly.

Anglo American Platinum has started developing the Mototolo/Der Brochen expansion project in Limpopo. The investment aims to extend the life-of-mine by over 30 years. It will leverage existing Mototolo infrastructure and extend mining to the Der Brochen resource. The estimated investment value is R3.9 billion over six years.

Kumba Iron Ore, a subsidiary of Anglo American, is preparing for the development of the Sishen ultrahigh dense-media separation project, valued at about R3.6 billion. The specialised technology separates ore and waste to improve beneficiation, extending the life of Kumba's Sishen mine in the Northern Cape to 2039.

Tharisa Minerals is in the process of commissioning the Vulcan chrome plant, a facility that produces chrome concentrates from chrome ultrafines on a large-scale. The technology will raise the level of

---

<sup>3</sup> There is currently no evidence that indicates the R2.8 billion announced at the 2022 Investment Conference is over and above the US\$1.5 billion (R24 billion) expenditure capital for the Phase 2 expansion detailed in the feasibility report. As information becomes available the project will be updated.

chrome recovery at Tharisa from 65% to 82%. The value of the investment is US\$54.2 million (R882 million). Tharisa plans to start commercial production in the second quarter of 2022.

In 2020 Anglo American announced that Kumba will invest R7 billion towards the development of a new iron ore pit, the Kapstevl South pit. The project is currently underway at the Kolomela Mine. Construction of workshops and other infrastructure is also in progress.

The expansion of Diamcor's Krone-Edora at Venetia Mine has started, with the first phase already completed. This initial stage targets increasing current processing volumes in the near term, with new equipment and the expansion and upgrade of the diamond concentration system. Diamcor is rolling out the project for an undisclosed sum.

While the exact substance of the Tshwane Automotive Special Economic Zone's R1.8 billion pledged at the 2022 Investment Conference wasn't clear, it is likely to be more suppliers and companies announcing their participation. The total investment value for the SEZ is R8 billion. Similarly, Anglo American's R10 billion investment commitment from the SAIC seems to be in addition to the company's ongoing expansion.

## **FDI TRENDS, Q1 2022**

### **Investment values**

The investment with the highest value recorded for the quarter is a R50 billion commitment by a collective of 22 French companies. It accounts for slightly over 63% of the total value recorded this quarter. This was followed by Sedibelo's R9.4 billion investment to expand production at the firm's Pilanesberg mine. On its own, the project constitutes 11,8% of the total value for the quarter.

Six projects captured this quarter are valued between R1 billion and R5 billion. Investment from these projects amounts to about R11.1 billion, constituting just under 14% of the total pledged value. These were led by NantSA's R3 billion vaccine production campus followed by DSV's R2.2 billion logistics facilities, which was closely trailed by the R2.1 billion capital expenditure commitment by Imperial Logistics. Other projects included in this bracket include the R1.5 billion glass manufacturing plant by Consol Glass, DiDi's R1.2 billion operations expansion, and infrastructure investment by Teraco valued at R1.1 billion.

Pledges valued below R1 billion and above R500 million make up approximately 4.6% of the total value. Netflix's R929 million media production investment had the highest value in this group. SAB and BMW capacity expansion projects contribute R929 million and R800 million respectively. Other projects in this grouping include PFNonwovens' R650 million facility upgrade and Burger King's commitment to invest R500 million to expand its restaurants in the country.

Over half (about 53%) of the projects recorded this quarter – 17 initiatives – are valued below R500 million and they total R5.3 billion or 6.7% of the overall pledged value recorded this quarter. These include ventures announced by Siemens (R484 million), Velocity Venture (R470 million), P&G (R450 million) and Seraphim (R437 million). Compagnie Mauricienne's textile manufacturing facility contributes R390 million, while VWSA's planned expansions and WarnerMedia's television production investment individually add R350 million to the total value. Also in this range are Defy's R317 million planned expansion, and pledges by Airlift (e-commerce services) and Hangda's (manufacturing plant) to each invest R300 million in their respective projects. Royal Industrial's planned manufacturing plant and Pfizer's initiative respectively contribute R280 million and R255 million to the total investment. Five projects in this grouping are valued below R200 million, comprising Daimler's new headquarters (R190 million), and a R170 million confectionary production facility by Lotus Bakeries. In addition, Cipla

and Huhtamaki intend to each invest R150 million in their firms' respective manufacturing capabilities. The other project included is Polarium's R30 million production plant.

Three investors have not yet disclosed values for their respective projects. These include Tharisa Mine's solar PV project, Audi/Grid Car's electric vehicle charging stations installation, and a renewable energy project at Sedibelo's Pilanesberg Platinum Mines.

## Investment stages

**Table 1: Investment stages**

| STAGE                       | VALUE (R BILLION) | NUMBER    |
|-----------------------------|-------------------|-----------|
| Announced                   | 73.9              | 29        |
| Complete                    | 3                 | 1         |
| Construction/Implementation | 2.5               | 3         |
| <b>Total</b>                | <b>79.4</b>       | <b>33</b> |

Note: Values may not always sum to the total due to rounding.

An analysis of projects by investment stage indicates announced projects make up the largest share (93%) of the pledged investment value, contributing R79.4 billion. There are 29 projects identified at this stage and they constitute over 88% of projects captured this quarter. The single largest investment announced was the R50 billion commitment from the collective of French companies. The majority of announced projects comprise commitments made at the March 2022 Investment Conference. They include pledges that pre-date the 2022 Investment Conference and those that build on pre-existing initiatives, though these are not mutually exclusive. Two of the announced projects were external to this year's Investment Conference, these are by Tharisa Mine and Sedibelo's Pilanesburg Platinum Mine, each plan to implement renewable energy projects for undisclosed amounts.

One complete project was captured this quarter, NantSA's R3 billion investment in a vaccine manufacturing facility. Three projects identified were undergoing construction or implementation, all announced at the Investment Conference in March 2022. They account for the R2.8 billion investment value recorded at this stage. These include the R2.2 billion DSV logistics facility, Hangda's R300 million steel production plant. Rounding out projects at this stage is the Audi/GridCars installation of charging stations, the only project in progress identified outside the 2022 Investment Conference.

## Investment type

**Table 2: Investment type**

| TYPE         | VALUE (R BILLION) | NUMBER          |
|--------------|-------------------|-----------------|
| Greenfield   | 61.1              | 20              |
| Expansion    | 17.4              | 12 <sup>4</sup> |
| Upgrade      | 0.9               | 2               |
| <b>Total</b> | <b>79.4</b>       | <b>33</b>       |

Note: Values may not always sum to the total due to rounding.

Projects categorised by investment type show greenfield investment had the highest pledged value contributing R61.1 billion to the quarter's total investment. The value is entirely attributed to projects announced at the Investment Conference this year, largely the R50 billion pledge by a group of French companies. Other projects include NantSA's R3 billion facility, Teraco's R1.1 billion infrastructure investment and Siemens R484 million pledge for the development of educational healthcare software.

<sup>4</sup> SAB's R920 million investment comprises two initiatives, expansion of the Prospecton Brewery and upgrading the Ibhayi Brewery. The activities are categorised accordingly but represent a single investment in the Tracker.

Over half of the initiatives recorded this quarter were greenfield projects. Three commitments in this category are not related to the 2022 Investment Conference: Audi/GridCars electric vehicle charging stations, and Sedibelo's Pilanesberg Platinum Mines and Tharisa's respective energy projects.

Twelve expansion projects announced collectively account for R17.2 billion, about 22% of the total pledged investment value. The investments altogether came out of the 2022 Investment Conference. The largest expansion announced is Sedibelo's R2.2 billion expansion at the Pilanesburg mine. Broadly, the other projects entail expansions of manufacturing facilities and/or production capacity by firms including Imperial Logistics (R2.1 billion), Consol (R1.5 billion), SAB (R650 million) and Seraphim (R437 million). Firms which are further expanding their operations in the local market are DiDi and Burger King's commitments with investment values of R1.2 billion and R500 million respectively.

Upgrades contributed the lowest pledged investment value, R920 million from two projects. PFNonwovens plans to invest R650 million for manufacturing facility upgrades; similarly, SAB plans to refurbish the Ibhayi Brewery for R270 million.

## Investment by location and industry

Figure 1 shows projects classified by location and industry. The Tracker categorised the locations of four commitments as "unspecified".<sup>5</sup> The aggregate value of these is R51.7 billion. They include the R50 billion French investment, DiDi's R1.2 billion market expansion and the R484 million announced by Siemens in software development. It is notable that eight projects identified this quarter cover multiple locations.<sup>6</sup> Investments by Burger King, Imperial Logistics and the Audi/GridCars partnership have a national footprint.<sup>7</sup> DSV and Teraco are directing investment to three provinces.<sup>8</sup> SAB, Netflix, and Airlift<sup>9</sup> are targeting two provinces each for their projects. More than half the FDI activity reported this quarter was concentrated in three provinces: Western Cape, Gauteng and Kwazulu-Natal.

North West captured the highest investment value, R9.7 billion, from two projects. In total, six projects were recorded in the province across the mining, transport, retail, services and utility sectors. Investment is primarily in mining, attributed to Sedibelo's PPM R9.4 billion Triple Crown expansion. Transport registered about R233 million from Imperial Logistics' capital expenditure commitment. Burger King's investment, valued at about R55.5 million, together with the Audi and GridCars public EV charging stations project represent investment in services. Tharisa's solar PV project and Sedibelo's other initiative, the PPM solar and wind energy project, make up investment in utilities.

The largest number of projects recorded were in the Western Cape, with 13 commitments in three industries, manufacturing, transport, and retail and services. The total value of investment in the province amounts to R6.23 billion from 12 projects. This is mainly from four manufacturing projects, chiefly, the recently completed R3 billion NantSA vaccine manufacturing campus. The PFNonwovens R650 million production facility upgrades and Pfizer's R255 million commitment to staff Biovac also

---

<sup>5</sup> In these cases, there was insufficient information available to indicate the potential locations for the projects.

<sup>6</sup> The disaggregated values referenced for these projects are estimates calculated for purposes of analysis in the Tracker. With the exception of one project (SAB) the exact investment locations nor the value that would be allocated to each location have not been disclosed.

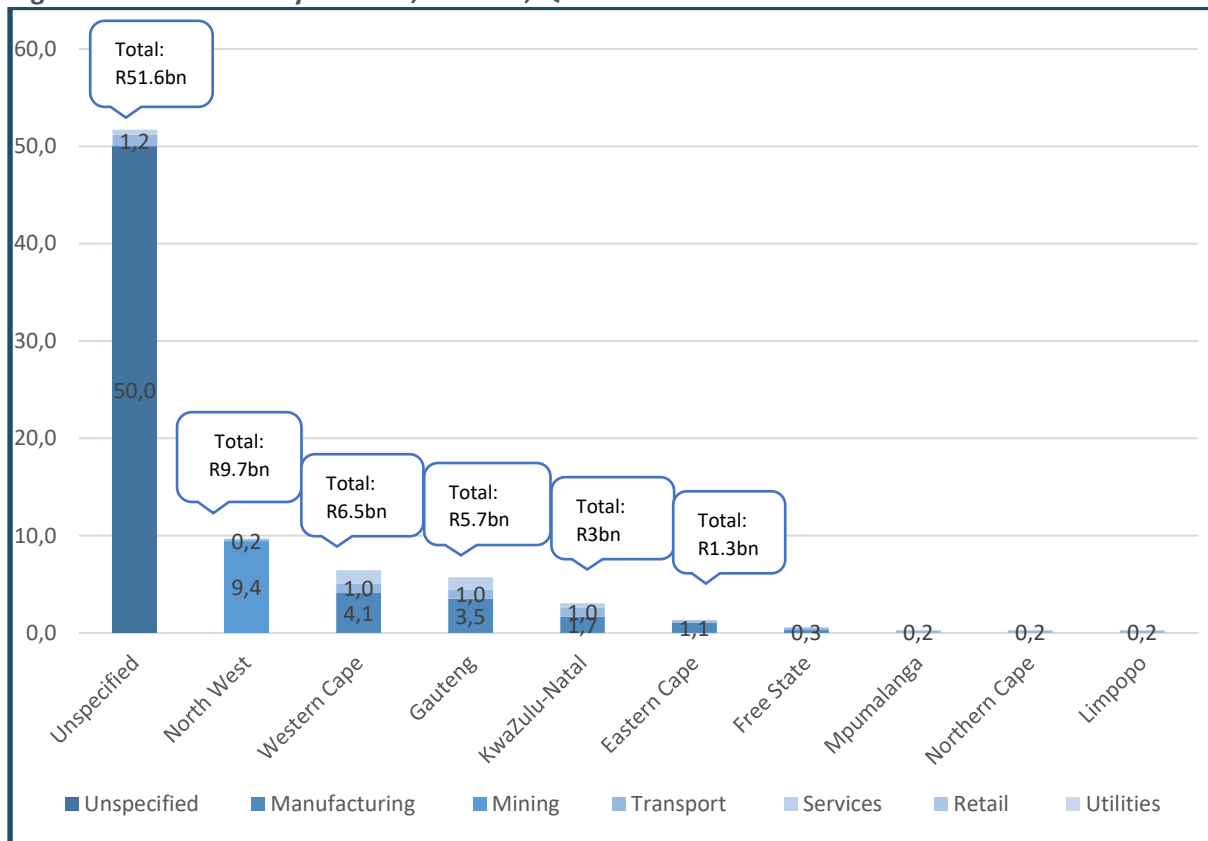
<sup>7</sup> The investors have not detailed the exact location(s) for the investment. Audi/GridCars and Burger King will span the country, while Imperials investment will affect the firms' local operations which are nation-wide. The estimated values per province are as follows: Burger King (total R500 million) R55.5 million, Imperial (total R2.1 billion) R233 million and Audi/GridCars (not reported).

<sup>8</sup> DSV's total value R2.2 billion that is R733 million per location. Teraco's total value is R1.2 billion, that is R366 million per location.

<sup>9</sup> The Netflix total value is R929 million that is R465 million per location. Airlift's total value, R300 million that is R150 million per location,

make up investment in manufacturing. Polarium and Lotus Bakeries each plan to set up manufacturing plants that would contribute R170 million and R30 million respectively. Commitments by logistics firms DSV and Imperial account for the R966 million transport investment value, respectively contributing R733 million and R233 million. Six projects add R1.7 billion to the services sector. These include television and film production by Netflix (R465 million) and WarnerMedia (R350 million). Teraco’s R366 million infrastructure project and Airlift’s e-commerce delivery service (R150 million) also comprise investment in services, as do Burger King (R55 million) and Audi/GridCars’ endeavours.

**Figure 1: Value of FDI by location, R billion, Q1 2022**



Source: TIPS FDI Tracker project data.

Note: Numbers may not always sum to the exact total investment amounts due to rounding.

The total pledged investment value of R5.7 billion registered in Gauteng is attributed to 12 out of 13 commitments recorded in the province. Investment was recorded in five Industries. Manufacturing captured the highest investment, R3.5 billion, half which is attributed to Consol’s R1.5 billion glass manufacturing plants. Other production facilities in the pipeline include Velocity’s R470 million steel and aluminium plant, and a R280 million porcelain tile plant by Rayal Industrial. BMW and P&G will be undertaking expansions at the firm’s individual facilities, investing R800 million and R450 million respectively. The province also gains R988 million in the transport industry from projects by logistics companies DSV and Imperial, contributing R733 million and R233 million respectively. The Tracker further recorded projects in the services sector that totals about R1.1 billion. Netflix contributes an estimated R465 million to the sector and Teraco’s information communications technology (ICT) and energy infrastructure initiative, about 366 million. Other services investments include Airlift’s e-commerce project (150 million), and the Audi/GridCars countrywide EV charging stations. Daimler’s new R190 million headquarters and Burger King outlets (R55 million) complete investment in the province. These projects are in retail.

The pledged investment value in KwaZulu-Natal amounts to approximately R3 billion, captured from nine of the total 10 projects identified in the province. These were recorded across three industries. Over half the investment value is attributed to projects in manufacturing, the largest being a R650 million expansion to SAB's Prospecton plant. The province will further gain a new manufacturing facility, a R390 million textile manufacturing plant to be developed by Compagnie Mauricienne de Textile Ltée. Defy and Huhtamaki will be expanding their individual production plants for R317 million and R150 million, respectively. Cipla also pledged R150 million in manufacturing pharmaceuticals in the province. DSV and Imperial Logistics represent investment in the transport sector contributing R733 million and R233 million respectively to KwaZulu-Natal. Investment in the province's services sector comprises two projects, Teraco's infrastructure investment (R366 million), Audi/GridCars EV charging stations. Burger King contributes R55 million to retail in the province.

Six projects were registered in the Eastern Cape across the manufacturing, transport and services industries. Investment in the province amounts to about R1.3 billion, predominantly from projects in manufacturing (R1.1 billion). Seraphim plans to invest R437 million to expand production of solar PV modules, similarly VWSA with R350 million for automotives and SAB breweries will be injecting R270 million to upgrade the Ibhayi Brewery. The province also benefits from Imperial Logistics' R233 million capital expenditure commitment, making up investment in transport. Burger King (R55 million) and Audi/GridCars comprise projects in the province's retail and services sector, respectively.

The Free State gained investment from four projects, recording a total pledged value of R588 million from projects in manufacturing, transport, services and retail. Hangda plans to establish a R300 million steel manufacturing facility. Imperial's R233 million commitment constitutes investment in transport. Retail is represented by investment from the Burger King expansion with R55 million and services by Audi/GridCars EV charging stations. The latter three projects recorded in the Free State make up the sum of investment in the Northern Cape, Limpopo and Mpumalanga. The total pledged value captured in each of these three provinces is R288 million on account of commitments from Imperial Logistics in transport and Burger King's in retail. The value of the Audi/GridCars project has not yet been disclosed.

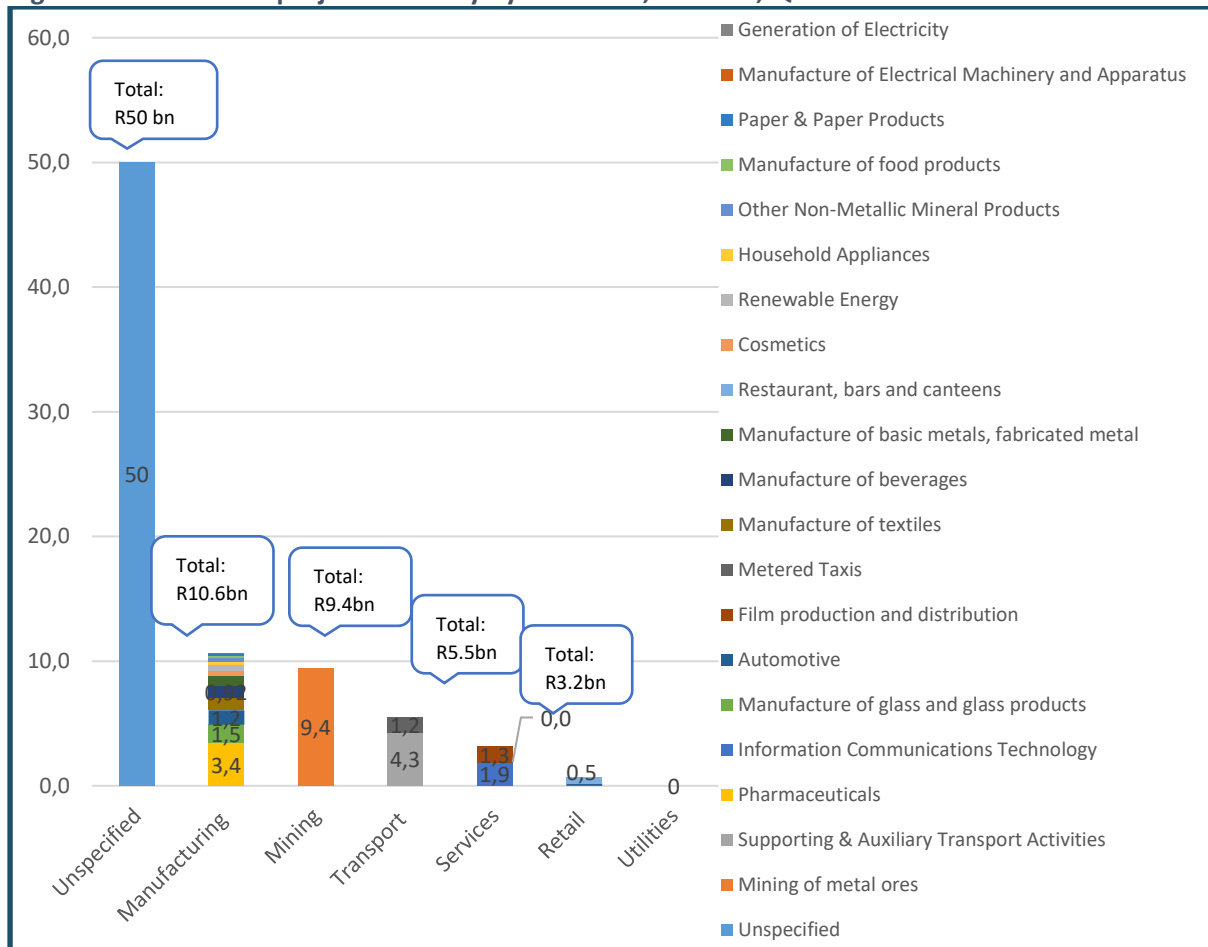
Figure 2 analyses projects within individual industries by subsector. In the first quarter 2022 investment value was concentrated in manufacturing which recorded the highest pledged value and number of projects. It is further notable that investment showed a diverse subsectoral distribution of projects across 21 industry subfields, more so in manufacturing where the majority of subsectors are represented. This quarter, FDI activity in manufacturing, mining, services and utilities – that have emerged as core industries in the Tracker – has remained consistent. The R50 billion commitment announced by French companies was categorised as “unspecified”.<sup>10</sup>

---

<sup>10</sup> Investment values from individual companies have not yet been disclosed and the Tracker does not have sufficient information to estimate these values.



**Figure 2: Value of FDI projects industry by subsector, R billion, Q1 2022**



Source: TIPS FDI Tracker project data.

Note: Numbers may not always sum to the exact total investment amounts due to rounding.

Investment in manufacturing was recorded from 18 projects across 13 subsectors with a total pledged value that amounts to R10.6 billion. Pharmaceuticals received the highest investment value (R3.4 billion) from three projects, mainly NantSA’s R3 billion vaccine production facility. Pfizer also pledged R255 million towards the Biovac Institute and Cipla pledged R150 million in the subsector. The manufacturing of glass is represented by Consol’s R1.5 billion project. The sum of investment in automotives was R1.2 billion from BMW (R800 million) and VWSA (R350 million) with both firms investing in expanding their facilities. PFNonwovens’ facility upgrades and the Compagnie Mauricienne planned facility make up the R1.04 billion in textiles. Beverages is represented by SAB’s R920 million capacity expansion at its breweries. Manufacturing of basic metals totalled R770 million with projects by Hangda and Velocity, each planning to establish steel manufacturing facilities. Cosmetics, renewable energy, and household appliances each captured single investments. The corresponding projects are P&G’s R450 million diaper plant expansion, Seraphim’s R437 million solar PV modules and Defy’s R317 million plant expansion. The R280 million in non-metallic metals is represented by Rayal’s porcelain manufacturing plant, food products by Lotus Bakeries with a new R170 million confectionary facility, and the paper subsector with a R150 million packaging plant expansion by Huhtamaki. The R30 million investment in electrical machinery and apparatus completes investment in manufacturing and comprises of a new lithium battery plant.

One subsector was identified in mining. Metal ores captured the second highest pledged value, R9.4 billion on account of Sedibelo’s planned expansion at the Pilanesburg Platinum Mine. Transport consists of two subsectors which registered R5.5 billion from three projects. DSV’s R2.2 billion logistics



facility and Imperial Logistics R2.1 billion capex commitment represent the R4.3 billion investment value captured in the supporting transport activities. The metered taxi subsector features one project, DiDi's R1.2 billion market expansion plan.

The investment value recorded in services amounts to R3.2 billion. The sector comprises six projects – of which five make up the value – identified in three subsectors. ICT registered R1.9 billion, mainly due to Teraco's R1.1 billion data centre and energy infrastructure investment. ICT also features a software development initiative by Siemens (R484 million) and Airlift's e-commerce delivery project (R300 million). Film production and distribution contributed R1.3 billion to services on account of Netflix and WarnerMedia's respective R929 million and R350 million investment in the subsector. The other project recorded in services is Audi/GridCars EV charging facilities in the automotives subsector. The investment value has not yet been reported.

Retail consists of two subsectors. Burger King's expansion commitment represents the R500 million investment in the restaurants subsector. Automotives is represented by Daimlers new headquarters that will be developed for approximately R190 million. Utilities recorded two renewable energy projects for undisclosed sums. These include Sedibelo's Pilaneburg Platinum Mines wind and solar energy investment and Tharisa Mine's solar PV project.

## Investment by country of origin

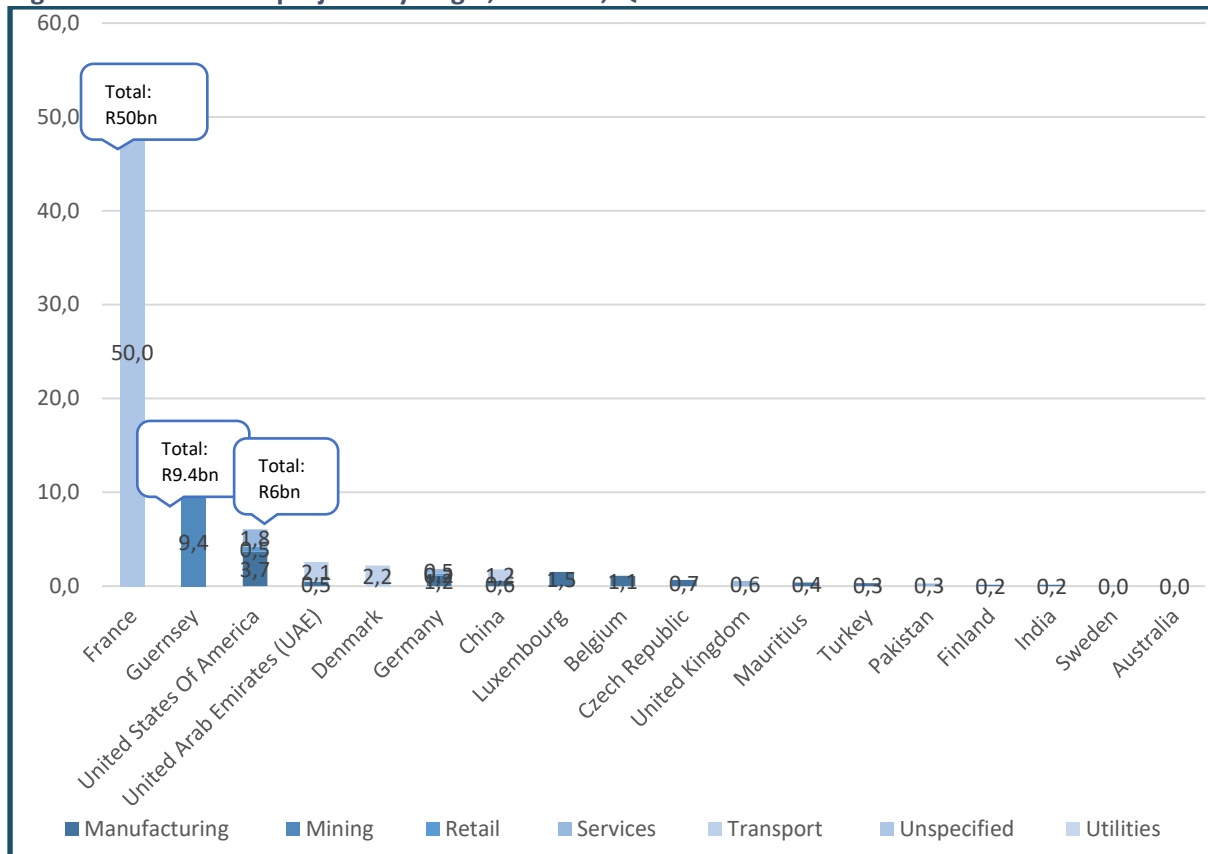
Figure 3 distinguishes investment by country of origin and industry. In the first quarter of 2022, projects were captured from across 18 countries, the bulk of which (11) are European states. The region remains a key source of foreign investment for South Africa. The value of commitments registered from Europe amounts to R67.7 billion, mainly on account of the French R50 billion pledge made by 22 companies at the 2022 Investment Conference.

In addition to the French commitments, 17 other projects were captured from Europe. Investment from Guernsey<sup>11</sup> comprises two initiatives Sedibelo is undertaking at the Pilanesburg Platinum Mine, the R9.4 billion expansion and the renewable energy project for an undisclosed value. The R2.2 billion from Denmark is attributed to DSV's new consolidated logistics facility. Four out of five projects identified from Germany contribute to the R1.8 billion pledged value, including BMW and VW's respective R800 million and R350 million expansions at their local manufacturing facilities. Daimler's R190 million headquarters and Siemens' R480 million software development initiative were also recorded from the country. The other project identified from Germany is the Audi/GridCars EV charging infrastructure. Consol's glass manufacturing plant accounts for the R1.5 billion captured from Luxembourg. The total commitment value from Belgium amounts to R1.1 billion, comprising pledges by SAB – R920 million capacity expansion – and the Lotus Bakeries R170 million production facility. The United Kingdom registered one project that adds R550 million (Teraco) to the total value this quarter. PFNonwovens' R650 million facility upgrades and Defy's R317 million (Arcelik) plant expansion represent investment from the Czech Republic and Turkey respectively. Similarly one project was captured from Finland and Sweden each, Huhthamaki's R150 million expansion and a R30 million lithium battery plant by Polarium, respectively.

---

<sup>11</sup> Guernsey has been described by the Tax Justice Network as one of the worst corporate tax havens. <https://www.bbc.com/news/world-europe-jersey-48354081>.

**Figure 3: Value of FDI projects by origin, R billion, Q1 2022**



Source: TIPS FDI Tracker project data.

Notes: Numbers may not always sum to the exact total investment amounts due to rounding.

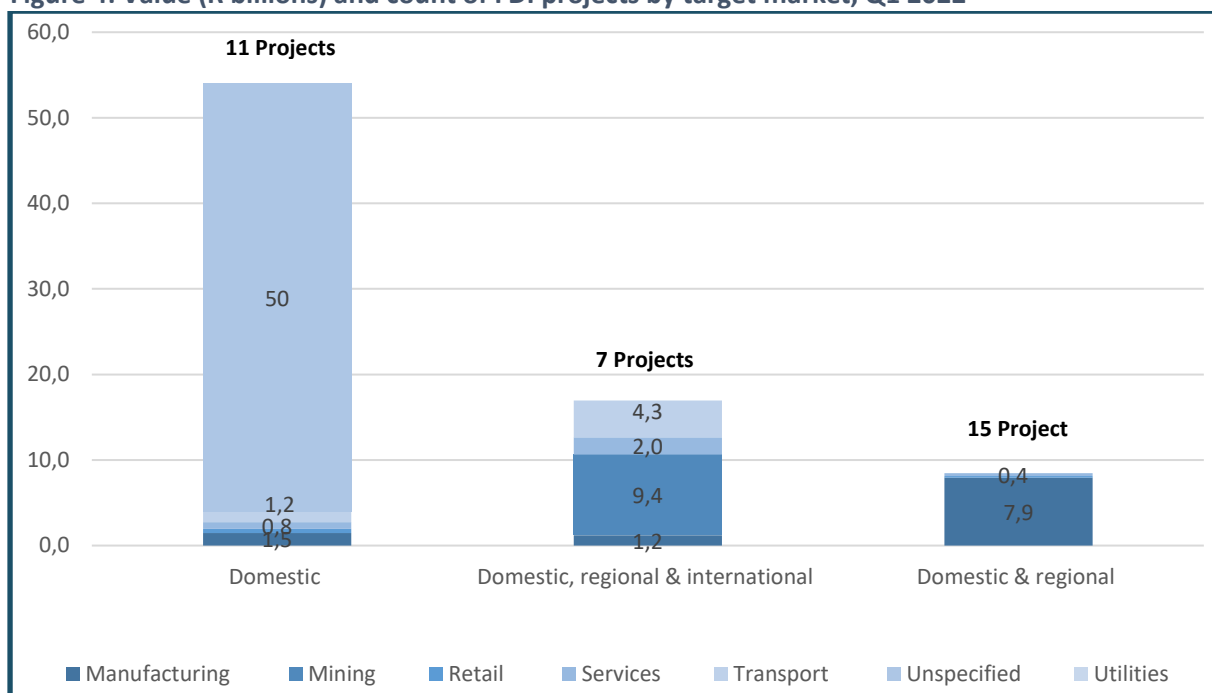
After France, the United States (US) featured the second highest number of projects with seven commitments that cumulatively contributed R6 billion to total investment this quarter. Close to half the value is attributed to the NantSA’s R3 billion vaccine manufacturing campus. Investors from the US further comprise of Netflix (R929 million), Teraco (R550 million)<sup>12</sup> and Burger King (R500 million). Other projects from the US include the P&G plant expansion, WarnerMedia’s TV productions and Pfizer’s commitment, which contribute R450 million, R350 million and R255 million respectively.

The R2.6 billion captured from the United Arab Emirates (UAE) consists of initiatives from two companies – Imperial Logistics with the R2.1 billion capex commitment and Velocity, which pledged R470 million to set up an aluminium and steel manufacturing plant. China, Pakistan and India make up the commitments from Asia. The sum of four investments identified from China was R2.2 billion. Just over half comes from DiDi’s R1.2 billion expansion followed by Seraphim’s R437 million commitment. New manufacturing plants planned by Hangda and Rayal Industrial respectively contribute R300 million and R280 million from the country. Airlift represents the R300 million registered from Pakistan and Cipla’s R150 million manufacturing project from India. Monitoring further recorded projects from Mauritius, Compagnie Mauricienne’s R390 textile plant and Australia’s Tharisa’s solar power project.

<sup>12</sup> This value represents half the total pledged value, R1.1 billion for the ICT and power generation infrastructure investment. Teraco is owned by US- and UK-based firms.

## Investment by target market

Figure 4: Value (R billions) and count of FDI projects by target market, Q1 2022



Source: TIPS FDI Tracker project data.

Note: Numbers may not always sum to the exact total investment amounts due to rounding.

Figure 4 illustrates projects distinguished by target market. The 11 projects exclusively targeting the domestic market registered the largest investment value of R54 billion. Other than the R50 billion French group commitments, the market segment is composed of investments in transport, services, manufacturing and retail. These projects include DiDi's expansion, Siemens commitment, Burger King's outlets and Seraphim's solar modules production. Investment focussed on the domestic, regional and international market comprises seven projects across four industries dominated by a project in mining, the R9.4 billion from Sedibelo's mine expansion. Other projects in the transport, service and manufacturing in this category include DSV's facility, Teraco's infrastructure development, and SAB's brewery refurbishments respectively. In numbers, projects indicating a domestic and regional outlook recorded the highest count with 15 investments. This is overwhelmingly in manufacturing where the 12 projects included further hold the highest value in this segment, R7.9 billion, led by the R3 billion NantSA vaccine campus. The category also included projects in retail and services.

## Investment environment

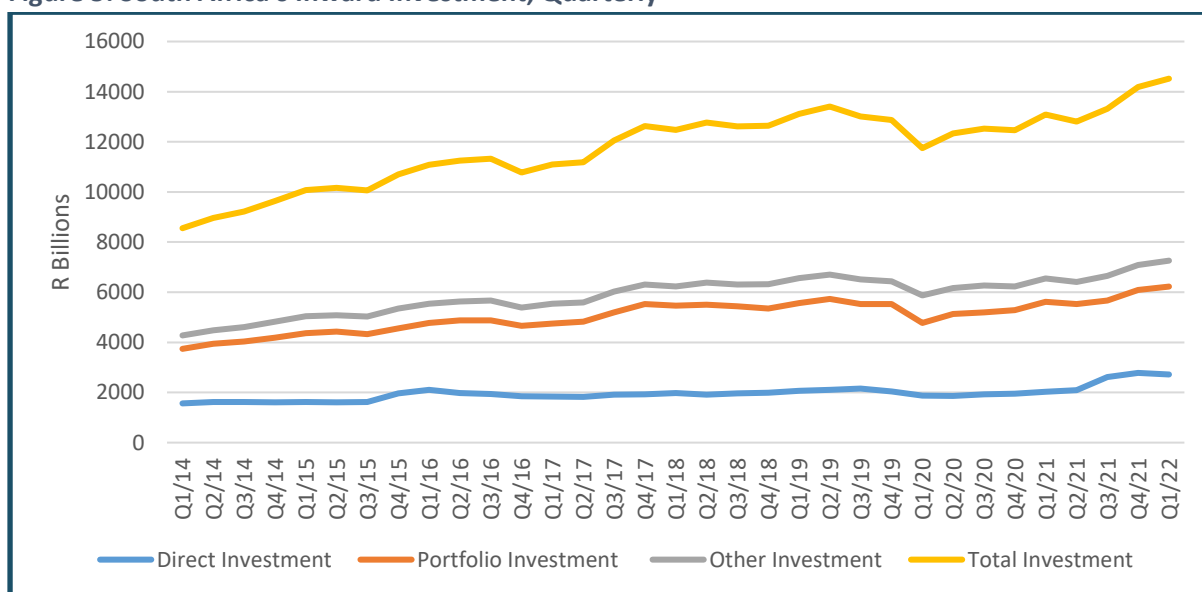
Analysis of the domestic investment environment provides insight into the general environment in which investments take place. This analysis is important because a) metrics that measure investment indicate the extent to which pledged investments actually materialise; and b) analysing the investment environment provides a glimpse into investor sentiment which will ultimately have an impact on future growth prospects of the economy.

A flurry of investment activity is typically a sign of future growth. During periods of lacklustre growth, investors tend to withhold investments given a pessimistic view of future growth and the risk of tying up capital, hampering the returns on that capital. With the President's annual Investment Conferences, it is important from a policy point of view to monitor whether the pledges made at that event are materialising as a substantial improvement in investment levels. To evaluate the

investment environment, a number of key investment metrics have been incorporated, which are further detailed in the Appendix.

The total market value of South Africa’s inward investment increased from a revised R7 116 billion at the end of December 2021 to R7 286 billion at the end of March 2022, an increase of 2.4% between Q4 2021 and Q1 2022. The increase in inward investment between Q4 2021 and Q1 2022 was attributable to the increase in the FTSE/JSE All-share Index of 2.4% in the first quarter of 2022, which contributed to higher values of portfolio investment liabilities together with non-resident net purchases of South African equity securities. Other investment increased mainly as a result of non-residents extending loans to the domestic banking and private non-banking sectors as well as national government borrowing US\$750 million from the World Bank. Direct investment<sup>13</sup> decreased as result of valuation effects as the share price of a large South African company declined.

**Figure 5: South Africa’s Inward Investment, Quarterly**



Source: TIPS, based on South Africa’s international investment position data by (SARB, 2022b).

Over the analysis period:

- Portfolio investments increased by 5.7% from R3 228 billion in Q4 2021 to R3 422 billion in Q1 2022.
- Direct investments decreased by 2.5%, from R2 762 billion in Q4 2021 to R2 695 billion in Q1 2022.
- Other investments increased by 3.7% from R997 billion in Q4 2021 to R1035 billion in Q1 2022.
- Total investments increased by 2% between Q4 2021 and Q1 2022. In Q4 2021, total investments amounted to R7 116 billion and R7 286 billion in Q1 of 2022.

Compared to Q1 2021, total investments were about 8.11% higher in Q1 2022. Direct investments were 24.6% higher in Q1 2022 compared to Q1 2021. Portfolio investments were 4.7% lower in Q1 2022 compared to Q1 2021, while other investments were 10.4% higher.

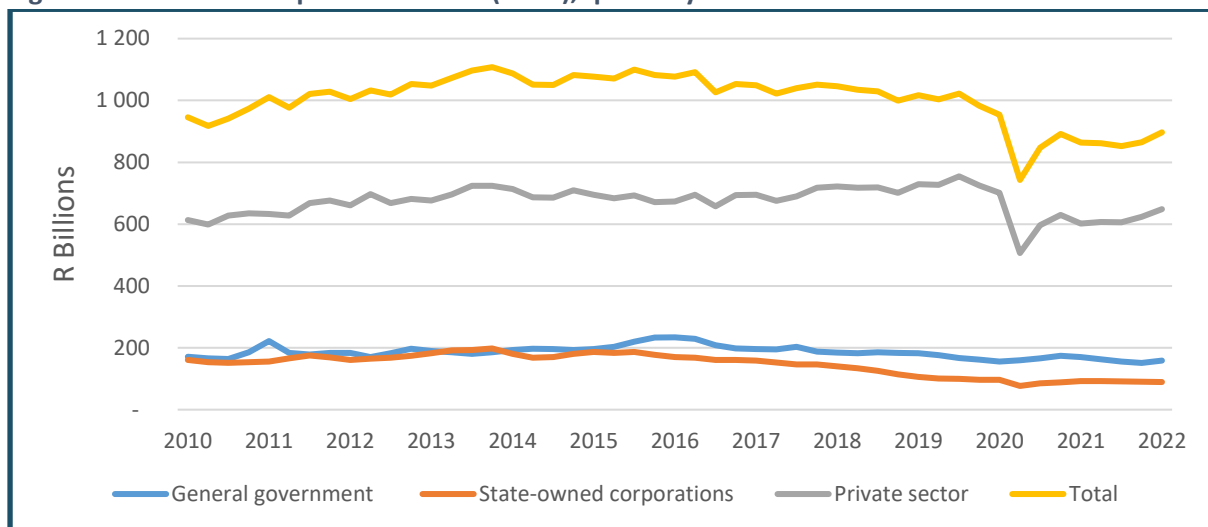
Statistics SA (Stats SA) calculates Gross Fixed Capital Formation (GFCF) as part of the expenditure component of Gross Domestic Product (GDP). The metric is a key measure of overall investment in the economy. It includes money spent on improvements to land, equipment purchases, and road and building construction.

<sup>13</sup> Direct investment is defined as: the objective of obtaining a lasting interest by a resident entity in one economy (direct investor) in an entity resident in an economy other than that of the investor (direct investment enterprise). This refers to foreign investment into South Africa (see (SARB, 2022a)).

GFCF continued increasing during the first quarter of 2022 (Stats SA, 2022). The total GFCF increased by 3,6% between Q4 2021 and Q1 2022 in constant 2022 prices, seasonally adjusted, and annualised. The SARB explains that this is due to general government and private sector increase in capital outlays amid reduced capital spending by state-owned corporations (SARB, 2022b). Despite this increase, it is noted that weak business sentiment, policy paralysis and high crime levels continue to be contributors to the low levels of fixed investment spending in the country as companies are weary of investing large sums of money on domestic projects (Siwele and Naidoo, 2022).

In Q4 2021, GFCF as a proportion of GDP stood at approximately 13.05%, which is far below the National Development Plan goal of 30% by 2030, and below the pre-pandemic rates seen in 2019 of between 15% and 16% (TIPS, 2021). Identified issues were largely systemic and related to the need for further momentum on licensing for private sector renewables generation under 100 MW; modernising port infrastructure; and reducing transport costs via rail and road (Arnoldi, 2022). The July 2021 riots were also identified as having muted investment confidence.

**Figure 6: Gross Fixed Capital Formation (GFCF), quarterly**

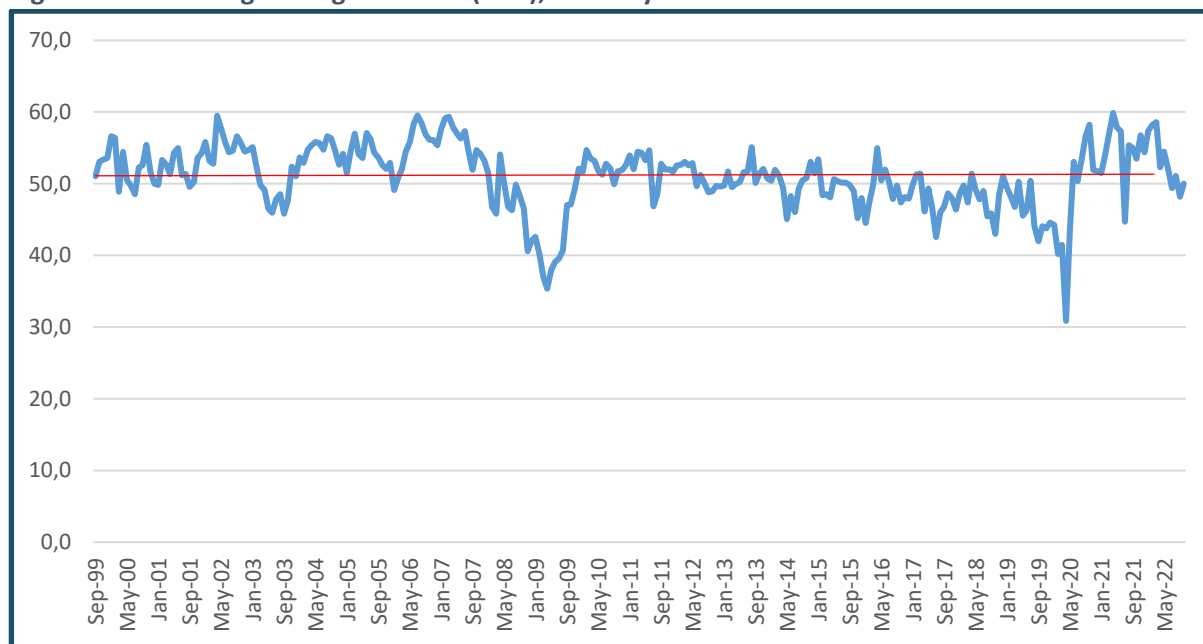


Source: TIPS, 2022, based on Stats SA GDP data. Notes: Values are on a constant 2022 prices, seasonally adjusted, and annualised basis. Value are deflated using an implicit deflator, rebased to Q1 2022.

Disentangling GFCF by the type of institution reveals the contributions to investment levels by the public and private sectors. In Q1 2022, private investment decreased by 4% from Q4 2021 to Q1 2022 in constant 2022 prices, seasonally adjusted and annualised basis. Public corporation investment levels decreased by 1.1%, and investments by government increased by 4.4%.

According to Stats SA, total GFCF increased to 3.6% from Q4 2021 due to private business enterprises and general government increased capital outlays, while public corporations reduced capital spending. The main contributors to the increase were machinery and equipment (5.4% and contributing 2.2 percentage points), transport equipment (13.5% and contributing 1.2 percentage points) and “other” assets (3.6% and contributing 0.4 of a percentage point). The significant increase in capital outlays by private business enterprises reflected increased investment in construction work as well as machinery and other equipment, lifting the private sector’s share of total nominal gross fixed capital formation further to 72.3% in the first quarter of 2022. Despite the further increase, the level of total real fixed capital investment in the first quarter of 2022 was still 10.9% lower than the average in 2019, before the COVID-19 lockdown restrictions were imposed.

Figure 7: Purchasing Managers' Index (PMI), monthly



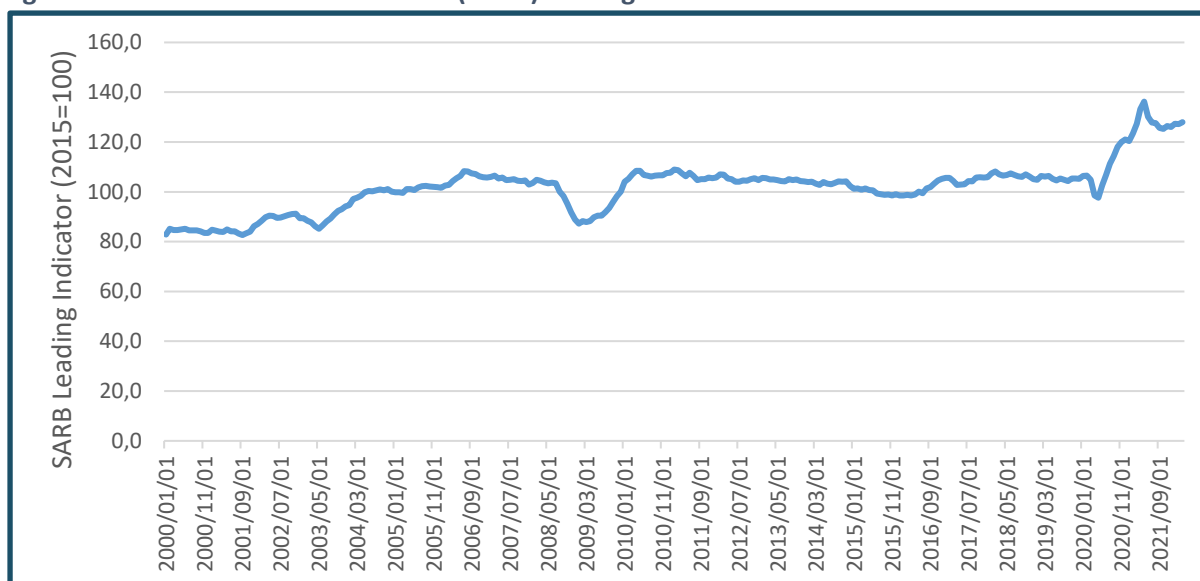
Source: TIPS, based on PMI data by (BER, 2022a).

Note: The PMI data is seasonally adjusted by the Bureau for Economic Research (BER).

The Absa PMI focuses on business conditions in the manufacturing sector, and points to challenges within the sector. These challenges may inform and influence investor decisions in the future. A value that exceeds 50 implies an improvement from the previous month, and a value below 50, implies a decline.

In Q1 2022, the seasonally adjusted Absa PMI continually increased, pointing to improved manufacturing conditions. The PMI, in index points, increased between December 2021 and January 2022 (from 54.1 to 57.1). The decline in the fuel price at the start of January is the main contributor to an increase in the index from a drop in December 2021. The index further increased between January and February (from 57.1 to 58.6) due to fastest increase in new sales orders since Q2 2021. This was largely due to improvements in exports and an increase in demand, which further supported a rise in production volumes. All this occurred despite a bout of loadshedding at the start of the month. This reading suggests that employment levels could be stabilising after the sector experienced job losses for years pre-dating the COVID-19 pandemic. Subsequently, PMI increased again between February and March 2022 (from 58.6 to 60). The surge in the oil price is a key contributor of this increase globally, but food prices, fertiliser and other raw materials were rising equally as rapidly. A risk in prices remaining high for longer would be due to the Russian invasion of Ukraine continuing and sanctions on Russia possibly intensifying further (BER, 2022b, 2022c, 2022d). The sustained improvement in headline PMI depicts continued recovery of the manufacturing sector after a blow in Q3 2021. The results of the PMI suggest that the manufacturing sector recorded robust quarterly expansion in the first quarter of 2022.

**Figure 8: South African Reserve Bank (SARB) leading indicator**



Source: TIPS, based on (SARB, 2022c)

The SARB also reports on a composite leading indicator that aims to predict future growth in the economy and serves as supplementary evidence for future changes in the economy. The composite leading business cycle indicator is calculated based on a number of underlying datasets that predict growth (see Appendix).

The leading indicator depicted a 1% increase in January 2022, a decrease of 0.1% in February 2022, and a slight increase of 0.6% in March 2022 (SARB, 2022d, 2022e, 2022f).

The largest drivers of increases in the leading indicator in Q1 2022 were from an increase in the US dollar-denominated export commodity price index, an acceleration in the six-month smoothed growth rate in the real money supply, and the number of building plans approved. The biggest detractors were a deceleration in the six-month smoothed growth rate of job advertisement space, a decrease in the volume of orders in manufacturing in January 2022, a decrease in the number of residential building plans approved, a deceleration in the six-month smoothed growth rate of job advertisement space in February 2022, a deceleration in the six-month smoothed growth rate of job advertisement space, and a narrowing in the interest rate spread in March 2022.

## Barriers and constraints

The FDI Tracker aims to inform and improve policymaking by assisting the state to better understand the environment in which investors operate. To gain deeper insight into investor experiences, the FDI Tracker captures concerns and challenges investing companies face. Challenges include those related to the business environment, infrastructure blockages, and service constraints. In addition to barriers and constraints, the analysis highlights challenges that have been unblocked or resolved. Among projects captured this quarter, challenges were registered in relation to two projects.

Consol indicated the alcohol bans during lockdown periods affected the firm and the broader glass packaging sector to the extent that investment in a previously planned R1.5 billion facility had to be suspended. Consol is now continuing construction of the plant in partnership with the Ardagh Group.

The Mara Phones factory in KwaZulu-Natal has closed down with the facility placed on auction. The smartphone manufacturing facility launched in 2019 was developed for approximately R429 million, instead of the R1.5 billion pledged by the Chief Executive Officer of Mara Phones. According to reports, the shareholders were not able to raise the full contribution. Investors including the IDC have mandated the sale of the facility. Production at the plant was disrupted by the COVID-19 pandemic



and subsequent lockdowns that contributed to the current conditions. The brand further struggled to compete with other global and low-cost smartphone brands (IDC, 2022; Thukwana, 2022).

### Credibility classification

FDI pledges are subject to frequently changing plans and may not happen in the form initially announced. For this reason, the FDI Tracker assigns a subjective measure of credibility to each project, based on the standard described in Table 3.

**Table 3: Classification of project by credibility of investment pledge**

| GRADING                            | EXPLANATION  |
|------------------------------------|--|
| <b>Commitment</b>                  | Project has been announced, but the plan lacks details (such as company commitment or clear development plan) or is too early to be substantive.   |
| <b>Potential</b>                   | Project has been announced, shows possibility for future development and the company has a strong track record, but the plan lacks some details or there are doubts on specific aspects of the announcement. |
| <b>Likely</b>                      | Project has been announced, and is highly credible, often with plans that are partially in progress, such as completed feasibility studies or regulatory approval.   |
| <b>Construction/implementation</b> | Projects that are underway. Figures will be updated to reflect changes during the construction/implementation period.  |
| <b>Cancelled</b>                   | The project is no longer moving ahead.   |

Table 4 shows projects organised by credibility grading. Twelve projects were categorised under commitment, chiefly due to the limited information available. Except for three companies – Airlift, Velocity Venture and Compagnie Mauriciene – these projects are by firms that are well established in the country with relatively long track records. Airlift and Velocity appear to be new market entrants. Across the board, basic detail on the projects is provided such as the pledged values, locations and an indication of what the investment will go towards. Details on the investment by French companies is limited to the combined pledged value, the names of the firms involved. This provides an indication of the sectors in which they operate and therefore the industries that would likely benefit.

Five projects were graded as potential. While the commitments lack detailed project plans, the firms are well established with a solid history of activity in South Africa. In addition, some of the investors announced their commitments on the back of recently completed investment or a different project in progress. Arcelik (Defy) is in the process of further establishing its other brand, Beko, which was introduced in the country at the end of 2021. Furthermore, the company has in the past committed to additional investment in the Defy brand. Seraphim’s production plant was recently commissioned in Coega and SAB has an ongoing investment programme. Lotus Bakeries completed a project in 2021 and Netflix is investing in South African film content in partnership with the National Film and Video Foundation. For P&G, this will be the third commitment by the company made at the SAIC. The initial two projects announced in 2018 and 2020 have been fulfilled.

Various factors were weighed in considering the classification of 10 projects as “likely”. With Huhtamaki, it is not clear if the manufacturing plant announced at the 2022 SAIC is the fibre packaging plant the firm is setting up in KwaZulu-Natal. The project was announced in May 2021 with a completion date for the fourth quarter of 2021. There has since been no indication that the plant is complete and, taking the timing into consideration, there is a possibility that they are the same.

Other investments under the likely classification include Burger King’s commitment as part of the conditions by the Competition Tribunal in approval of the South Africa business acquisition by new owners, Emerging Capital Partners (ECP). Similarly, the Imperial Logistics capex investment is a



requirement set by the Commission in authorising DP World's acquisition of the operations. In Q1 2022, the Ardagh Group was waiting for regulatory approval to acquire Consol. Considering the announcement at the SAIC, it appears the deal was approved and the project, previously suspended, will continue. The Daimler Truck Southern Africa announcement follows its separation from Mercedes Benz South Africa<sup>14</sup> to operate as an independent entity. As a result, the renewed organisation is establishing its own facilities. By the time the new headquarters were announced at the SAIC, Daimler had set aside R1 billion for activities and infrastructure for the new structure. In addition to being an established firm, PFNonwovens has provided a detailed development plan for the project. Regulatory approvals have been obtained for Sedibelo's PPM Triple Crown mining expansion and Kell plant, using existing processing infrastructure. For its energy project at PPM, Sedibelo has appointed and signed an MOU with juwi/Sturdee consortium to supply the renewable energy. They have moved to negotiating a PPA. Teraco's announcement is part of a broader ongoing expansion project.

**Table 4: Project credibility grading**

| <b>PROJECT</b>   | <b>CLASSIFICATION</b>       |
|--|-----------------------------|
| <b>Polarium lithium battery manufacturing plant</b>                  | Commitment                  |
| <b>Textile manufacturing facility</b>                                | Commitment                  |
| <b>BMW manufacturing capacity expansion</b>                          | Commitment                  |
| <b>VWSA manufacturing expansion project</b>                          | Commitment                  |
| <b>Cipla pharmaceuticals manufacturing</b>                           | Commitment                  |
| <b>Pfizer Biovac Institute initiative</b>                            | Commitment                  |
| <b>Siemens educational healthcare software development</b>           | Commitment                  |
| <b>WarnerMedia television production</b>                             | Commitment                  |
| <b>Airlift e-commerce service delivery</b>                           | Commitment                  |
| <b>Porcelain tile manufacturing plant</b>                            | Commitment                  |
| <b>Velocity aluminium and steel manufacturing plant</b>              | Commitment                  |
| <b>Collective French Investment (2022)</b>                           | Commitment                  |
| <b>Seraphim solar PV cells and modules production</b>                | Potential                   |
| <b>SAB breweries capacity expansion</b>                              | Potential                   |
| <b>Food and confectionary manufacturing facility</b>                 | Potential                   |
| <b>Netflix television and film production</b>                        | Potential                   |
| <b>P&amp;G diaper manufacturing plant expansion</b>                  | Potential                   |
| <b>Defy appliances and electronics production plant expansion</b>    | Potential                   |
| <b>Sedibelo Pilanesberg Platinum Mines (PPM) energy project</b>      | Likely                      |
| <b>Burger King outlets</b>   | Likely                      |
| <b>Daimler Trucks &amp; Buses Southern Africa new headquarters</b>   | Likely                      |
| <b>PPM Triple Crown production expansion</b>                         | Likely                      |
| <b>PFNonwovens manufacturing facility upgrade</b>                    | Likely                      |
| <b>Imperial Logistics capital expenditure</b>                        | Likely                      |
| <b>DiDi market expansion</b>   | Likely                      |
| <b>Teraco data centre and power generation infrastructure</b>        | Likely                      |
| <b>Huhtamaki packaging supplies manufacturing facility expansion</b> | Likely                      |
| <b>Consol Glass glass container manufacturing facility</b>           | Likely                      |
| <b>Tharisa Mine solar PV project</b>                                 | Construction/Implementation |
| <b>Audi/GridCars electric vehicle chargers</b>                       | Construction/Implementation |
| <b>DSV consolidated logistics facilities</b>                         | Construction/Implementation |
| <b>Hangda steel manufacturing facility</b>                           | Construction/Implementation |
| <b>NantSA vaccine production campus</b>                              | Complete                    |

<sup>14</sup> A result of the split of Daimler AG Mercedes Benz AG from Daimler Truck in Germany.

| PROJECT NAME                 | THARISA MINE SOLAR PV PROJECT   | AUDI/GRIDCARS ELECTRIC VEHICLE CHARGERS  | SEDIBELO PILANESBERG PLATINUM MINES (PPM) ENERGY PROJECT  |
|------------------------------|---|--|---|
| Investment value             | Not reported  | Not reported   | Not reported  |
| Invest Rand value            | Not reported  | Not reported   | Not reported  |
| Project location: Province   | North West  | Multiple locations   | North West  |
| Project location: City/Town  | Marikana  | Multiple locations   | Rustenburg  |
| Investor firms               | Tharisa/Total Eren/Chariot Transitional Energy  | Audi/GridCars  | Sedibelo Mines/Pilanesberg Platinum Mines   |
| Investor country             | Australia, France, United Kingdom   | Germany  | Guernsey  |
| Investor city                | Melbourne, Paris, London  | Pully  | St Peter Port   |
| Indicative start date        | March 2022  | December 2021  | March 2022  |
| Indicative end date          | 2026  | Not reported   | 2026  |
| Project phase                | Announced   | Construction/Implementation  | Announced   |
| Project type                 | Greenfield  | Greenfield   | Greenfield  |
| Project industry             | Utilities   | Services   | Utilities   |
| Project sector               | Generation of electricity   | Automotive   | Generation of electricity   |
| Permanent jobs               | Not reported  | Not reported   | Not reported  |
| Temporary jobs               | Not reported  | Not reported   | Not reported  |
| Government partnership       | Department of Mineral Resources and Energy  | Not reported   | Competition Commission; Department of Trade, Industry and Competition   |
| Target market                | Domestic  | Domestic   | Domestic and regional   |
| Social development programme | Not reported  | Technical knowledge transfer   | Not reported  |
| Project Description          | French headquartered Total Eren and United Kingdom-based Chariot Transitional Energy announced the signing of an MOU with Tharisa Minerals to develop a solar photovoltaic power plant. The energy companies will develop, finance, build, own, operate and maintain the facility at Tharisa Mine. The project is initially anticipated to be 40 MW with demand expected to increase over the life of the Tharisa Mine in the North West. In the long term, the partners plan to implement a PPA for the supply of electricity. | Audi has partnered with South Africa's GridCars to install ultra-fast EV charging station infrastructure across the country. Audi intends to introduce 70 new electric vehicle charge connectors across 33 sites to expand the existing public charging network in South Africa. The facilities will be publically accessible. The charge points are expected to provide up to 150 kilowatts of direct current (DC) charge to electric vehicles. The partners have been installing the infrastructure since the end of 2021. | Pilanesberg Platinum Mines, subsidiary of Sedibelo Platinum, plans to implement a renewable energy programme. They plan to install 75MW renewable power through two projects. The first entails a combination of solar PV and wind systems to power the 40 MW mine load through a wheeling arrangement from two separate sites, with the energy acquired through a Power Purchase Agreement. The second involves onsite construction of a 35 MW solar plant. Sturdee Energy and juwi will be joint developers on the project. |
| Motivation                   | Reduce dependence on national grid, securing a stable supply of electricity   | Infrastructure development for electric vehicles, entering a relatively new and growing car market segment in South Africa   | Electricity self-generation   |

| PROJECT NAME                 | SERAPHIM SOLAR PV CELLS AND MODULES PRODUCTION  | POLARIUM LITHIUM BATTERY MANUFACTURING PLANT  | TEXTILE MANUFACTURING FACILITY  |
|------------------------------|---|---|---|
| Investment value             | Rand value only   | Rand value only   | Rand value only   |
| Invest Rand value            | R437 million  | R30 million   | R390 million  |
| Project location: Province   | Eastern Cape  | Western Cape  | KwaZulu-Natal   |
| Project location: City/Town  | East London   | Not reported  | Not reported  |
| Investor firms               | Seraphim/Jiangsu Seraphim Solar System  | Polarium  | Compagnie Mauricienne de Textile Ltee   |
| Investor country             | China   | Sweden  | Mauritius   |
| Investor city                | Changzhou   | Stockholm   | Phoenix   |
| Indicative start date        | March 2022  | March 2022  | March 2022  |
| Indicative end date          | Not reported  | Not reported  | Not reported  |
| Project phase                | Announced   | Announced   | Announced   |
| Project type                 | Expansion   | Greenfield  | Greenfield  |
| Project industry             | Manufacturing   | Manufacturing   | Manufacturing   |
| Project sector               | Renewable energy  | Manufacture of electrical machinery and apparatus   | Manufacture of textiles   |
| Permanent jobs               | Not reported  | Not reported  | Not reported  |
| Temporary jobs               | Not reported  | Not reported  | Not reported  |
| Government partnership       | IDC   | Not reported  | Not reported  |
| Target market                | Domestic  | Domestic and regional   | Domestic  |
| Social development programme | Not reported  | Not reported  | Not reported  |
| Project description          | Seraphim is a global manufacturer of solar modules. The announced investment will go towards the production of solar PV cells and modules, including two entities equipped to expand their module manufacturing capacity from 100 MW per annum to 1 000 MW by mid-2022. | Polarium provides backup, hybrid, standalone storage, solar and storage, EV (electric vehicle) charging, and microgrid solutions in the telecom, commercial, and industrial segments. The company is establishing operations in South Africa where they will manufacture lithium batteries. | CMT is global vertically integrated jersey wear apparel manufacturer. It specialised in the design and production of fast-fashion products for clothing brands and fashion retailers. The company plans to establish a textile manufacturing plant. |
| Motivation                   | Expansion of manufacturing capacity and market expansion  | Market expansion  | Market expansion  |

| PROJECT NAME                 | SAB BREWERIES CAPACITY EXPANSION   | BURGER KING OUTLETS  | FOOD AND CONFECTIONARY MANUFACTURING FACILITY   |
|------------------------------|--|--|---|
| Investment value             | Rand value only  | Rand value only  | Rand value only   |
| Invest Rand value            | R920 million   | R500 million   | R170 million  |
| Project location: Province   | Eastern Cape, KwaZulu-Natal  | Multiple locations   | Western Cape  |
| Project location: City/Town  | Gqeberha; Prospecton   | Multiple locations   | Wolseley  |
| Investor firms               | South African Breweries  | Emerging Capital Partners (ECP)  | Lotus Bakeries  |
| Investor country             | Belgium  | United States  | Belgium   |
| Investor city                | Leuven   | Washington   | Lembeke, Kaprijke   |
| Indicative start date        | March -2022  | March 2022   | March 2022  |
| Indicative end date          | Not reported   | 2026   | 2023  |
| Project phase                | Announced  | Announced  | Announced   |
| Project type                 | Expansion  | Expansion  | Greenfield  |
| Project industry             | Manufacturing  | Retail   | Manufacturing   |
| Project sector               | Manufacture of beverages   | Restaurant, bars and canteens  | Manufacture of food products  |
| Permanent jobs               | Not reported   | 1250   | Not reported  |
| Temporary jobs               | Not reported   | Not reported   | Not reported  |
| Government partnership       | Not reported   | Competition Commission; Department of Trade, Industry and Competition  | Not reported  |
| Target market                | Domestic, regional and international   | Domestic   | Domestic  |
| Social development programme | 24000 jobs in the value chain  | Enterprise and supplier development,   | Not reported  |
| Project description          | SAB plans to invest an additional R920 million into its breweries in Prospecton and Ibhayi. The majority of the investment, R650 million, will go towards expanding the Prospecton Brewery while R270 million will go towards upgrading SAB's Ibhayi Brewery. The new commitments are on the back of SAB's 2021 announcement to invest R2 billion in capital expenditure projects. | EPC is a pan-African private equity fund management firm. The firm focuses on investing in companies that operate in environments characterised by limited competition or in sectors in which Africa has a comparative advantage. The pledge will increase the number of Burger King outlets in South Africa. The investment is among conditions agreed on with the Competition Tribunal in 2021 to approve the sale of Burger King South Africa, previously owned by Grand Parade, to EPC Africa. The firm is required to establish at 60 new Burger King outlets (increasing the number of stores to 150). | Lotus Bakeries manufactures biscuits. Globally it has 10 and in South Africa it manufactures products under the brand BEAR, comprising food snacks made from whole fruits, targeted at children. Lotus opened the first manufacturing facility in 2019, a second in 2021 and a third (which appears to be the focus of this investment will be opened by 2023). |
| Motivation                   | Expanding production capacity  | Market share expansion   | Production capacity expansion and market expansion  |

| PROJECT NAME                 | BMW MANUFACTURING CAPACITY EXPANSION  | DAIMLER TRUCK SOUTHERN AFRICA NEW HEADQUARTERS   | VWSA MANUFACTURING EXPANSION PROJECT  |
|------------------------------|---|--|---|
| Investment value             | Rand value only   | Rand value only  | Rand value only   |
| Invest Rand value            | R800 million  | R190 million   | R350 million  |
| Project location: Province   | Gauteng   | Gauteng  | Eastern Cape  |
| Project location: City/Town  | Rosslyn   | Centurion  | Kariega   |
| Investor firms               | BMW   | Daimler Trucks & Buses Southern Africa   | Volkswagen South Africa   |
| Investor country             | Germany   | Germany  | Germany   |
| Investor city                | Munich  | Stuttgart  | Wolfsburg   |
| Indicative start date        | March 2022  | December 2021  | March 2022  |
| Indicative end date          | Not reported  | Not reported   | Not reported  |
| Project phase                | Announced   | Announced  | Announced   |
| Project type                 | Greenfield  | Greenfield   | Expansion   |
| Project industry             | Manufacturing   | Retail   | Manufacturing   |
| Project sector               | Automotive  | Automotive   | Automotive  |
| Permanent jobs               | Not reported  | Not reported   | Not reported  |
| Temporary jobs               | Not reported  | Not reported   | Not reported  |
| Government partnership       | Not reported  | Not reported   | Not reported  |
| Target market                | Domestic and regional   | Domestic and regional  | Domestic and regional   |
| Social development programme | Not reported  | Not reported   | Not reported  |
| Project description          | There is limited information on the project. The investment will go towards automotive manufacturing. | The projects seem to be linked to the Daimler Trucks & Buses Southern Africa new business structure. It transitioned into a 100% dedicated commercial vehicle business from December 2021. The headquarters seem to be for the new venture and direction, comprising Sales and Marketing, Customer Service & Parts, Own Retail, Manufacturing Plant, and Value-added services including TruckStore, FleetBoard, Mercedes-Benz Uptime, Service24h, Truck Parts, and FUSO Value Parts. A total investment of up to R1 billion has been set aside to ensure continuity in operations, adequate resources, and suitable working infrastructure for the business. | A detailed project plan has not yet been disclosed. The project entails investment in VWSA's manufacturing operation. |
| Motivation                   | Production increase/market expansion  | Market expansion   | Production increase/market expansion  |

| PROJECT NAME                 | PPM TRIPLE CROWN PRODUCTION EXPANSION   | CIPLA PHARMACEUTICALS MANUFACTURING  | PFIZER VACCINE MANUFACTURING  |
|------------------------------|---|--|---|
| Investment value             | Rand value only   | Rand value only  | Rand value only   |
| Invest Rand value            | R9.4 billion  | R150 million   | R255 million  |
| Project location: Province   | North West  | KwaZulu-Natal  | Western Cape  |
| Project location: City/Town  | Moruleng  | Durban   | Cape Town   |
| Investor firms               | Sedibelo Platinum Mines   | Cipla  | Pfizer  |
| Investor country             | Guernsey  | India  | United States   |
| Investor city                | St Peter Port   | Mumbai   | New York  |
| Indicative start date        | December 2020   | March 2022   | Mar-22  |
| Indicative end date          | 2023  | Not reported   | Not reported  |
| Project phase                | Announced   | Announced  | Announced   |
| Project type                 | Expansion   | Greenfield   | Greenfield  |
| Project industry             | Mining  | Manufacturing  | Manufacturing   |
| Project sector               | Mining of metal ores  | Pharmaceuticals  | Pharmaceuticals   |
| Permanent jobs               | Not reported  | Not reported   | Not reported  |
| Temporary jobs               | Not reported  | Not reported   | Not reported  |
| Government partnership       | Department of Mineral Resources and Energy Industrial Development Corporation (Sedibelo shares an interest in Kell South Africa with the IDC)   | Not reported   | Specific government institution not distinctly identified, however, indicates there has been support by government.   |
| Target market                | Domestic, regional and international  | Domestic and regional  | Domestic and regional   |
| Social development programme | Not reported  | Not reported   | Not reported  |
| Project description          | Sedibelo will be expanding operations at PPM into the adjoining deposits of Sedibelo Central, Magazynskraal and Kruidfontein – the Triple Crown properties. These have an estimated resource base in excess of 60 million 4PGE ounces with a potential life-of-mine of 60 years. Sedibelo will also be constructing a 110 000 tonnes beneficiation plant at PPM, employing cost- and energy-efficient Kell Technology, said to reduce energy consumption by about 82%, reducing carbon emissions while improving recoveries and lowering operating costs. The proposed Kell plant will produce refined 99.95% PGM metal products. | Cipla is investing in the pharmaceutical industry. Details of the project have not yet been disclosed. | The R255 million is going towards investments that will staff the Biovac Institute for manufacturing COVID vaccines. Biovac is a biopharmaceutical company formed in 2003 in partnership with the South African government. |
| Motivation                   | Resource seeking and market expansion   | Market expansion   | The research and development environment is conducive to investment in the healthcare sector.   |

| PROJECT NAME                 | NANTSА VACCINE PRODUCTION CAMPUS   | SIEMENS EDUCATIONAL HEALTHCARE SOFTWARE DEVELOPMENT  | WARNERMEDIA TELEVISION PRODUCTION  |
|------------------------------|--|--|--|
| Investment value             | Rand value only  | Rand value only  | Rand value only  |
| Invest Rand Value            | R3 billion   | R484 million   | R350 million   |
| Project location: Province   | Western Cape   | Unspecified  | Western Cape   |
| Project location: City/Town  | Brakenfel  | Not reported   | Not reported   |
| Investor firms               | NantSA/NantWorks   | Siemens South Africa   | WarnerMedia  |
| Investor country             | United States  | Germany  | United States  |
| Investor city                | Los Angeles  | Munich   | New York   |
| Indicative start date        | June 2021  | September 2021   | February 2022  |
| Indicative end date          | March 2022   | March 2022   | March 2022   |
| Project phase                | Complete   | Announced  | Announced  |
| Project type                 | Greenfield   | Greenfield   | Expansion  |
| Project industry             | Manufacturing  | Services   | Services   |
| Project sector               | Pharmaceuticals  | Information Communications Technology  | Film production and distribution   |
| Permanent jobs               | 400  | Not reported   | Not reported   |
| Temporary jobs               | Not reported   | Not reported   | Not reported   |
| Government partnership       | The Presidency, the South African Medical Research Council, Council for Scientific and Industrial Research, and Centre for Epidemic Response and Innovation. They will further be working with four local universities (Cape Town, Witwatersrand, Stellenbosch and KwaZulu-Natal).   | Not reported   | Not reported   |
| Target Market                | Domestic and regional  | Domestic   | Domestic and regional  |
| Social Development Programme | Commitment of US\$6. 5 million towards scholarships and training technicians, technology transfer  | Not reported   | Not reported   |
| Project Description          | NantWorks is a multinational, technology conglomerate with companies operating under three pillars in healthcare and life sciences; energy and renewables; and connectivity and communications. They have completed a vaccine manufacturing campus. It was founded by Dr Patrick Soon-Shiong, scientist and inventor of the first human nanoparticle chemotherapeutic agent Abraxane. The project aims to expand manufacturing of biologics, immunotherapeutics and vaccines in South Africa through technology transfer and advanced manufacturing facilities through NantAfrica. | Siemens will be investing in educational software in the healthcare sector. It has not yet disclosed what this would entail. | WarnerMedia investment is going towards television series production in South Africa. Warner's key TV channels in South Africa include TNT, Cartoon Network, Boomerang, and CNN hosted by DSTV with which it has distribution agreements. Information on the investment entails was limited. |
| Motivation                   | Market opportunity and expansion   | Not reported   | Market expansion   |

| PROJECT NAME                 | NETFLIX TELEVISION AND FILM PRODUCTION   | PFNONWOVENS MANUFACTURING FACILITY UPGRADE  | DSV CONSOLIDATED LOGISTICS FACILITIES   |
|------------------------------|--|---|---|
| Investment value             | Rand value only  | Rand value only   | Rand value only   |
| Invest Rand Value            | R929 million   | R650 million  | R2.2 billion  |
| Project location: Province   | Multiple locations   | Western Cape  | Gauteng, Western Cape, KwaZulu-Natal multiple locations   |
| Project location: City/Town  | Not reported   | Atlantis  | Kempton Park, Cape Town, Durban   |
| Investor firms               | Netflix  | PFNonwovens   | DSV   |
| Investor country             | United States  | Czech Republic  | Denmark   |
| Investor city                | Los Gatos  | Prague  | Hedehusene  |
| Indicative start date        | March 2022   | June 2021   | September 2021  |
| Indicative end date          | 2024   | 2022  | 2022  |
| Project phase                | Announced  | Announced   | Construction/Implementation   |
| Project type                 | Greenfield   | Upgrade   | Greenfield  |
| Project industry             | Services   | Manufacturing   | Transport   |
| Project sector               | Film production and distribution   | Manufacture of textiles   | Supporting and auxiliary transport activities   |
| Permanent jobs               | Not reported   | 40  | Not reported  |
| Temporary jobs               | Not reported   | Not reported  | Not reported  |
| Government partnership       | Not reported   | Not reported  | Not reported  |
| Target market                | Domestic, regional and international   | Domestic and regional   | Domestic, regional and international  |
| Social development programme | Not reported   | Localisation, employee training and development   | DSV Enterprise Development Programme  |
| Project description          | Netflix plans to fund four – one international and three local – South African-based productions over the next two years with this investment. | PFNonwovens manufactures nonwoven fabrics and is expanding its Atlantis facility to develop its manufacturing capacity. The facility manufactures nonwoven, polypropylene and polyethylene based textiles used in disposable hygiene products such as baby diapers, adult incontinence and feminine hygiene products. The upgrade facility will allow the company capacity to meet the growing local market needs for high value and speciality. The investment includes the specialised Reicofil’s R5 machinery. The investment is aligned to PFNonwovens’ global strategy to grow hygiene and medical markets on the African continent. South Africa further serves as a base for export to the region. | DSV is developing three integrated logistics facilities. Construction of the DSV Park Gauteng and DSV Park Cape Town is complete while occupation of the one in Durban is planned for 2023. DSV aims to deliver efficient, and robust end-to-end supply chain solutions. Centralising the locations is in line with the company's global strategy to consolidate office and warehouse space. In addition to consolidating warehouse and administrative/ office space, DSV has standardised business processes and invested in technology to improve efficiency for better service and turnaround time to customers. |
| Motivation                   | Market expansion and growth in streaming offerings to boost subscriber number on the continent.  | Market expansion; responding to market demand.  | Operational efficiency  |



| PROJECT NAME                 | IMPERIAL LOGISTICS CAPITAL EXPENDITURE   | DIDI MARKET EXPANSION  | AIRLIFT E-COMMERCE SERVICE DELIVERY   |
|------------------------------|--|--|---|
| Investment value             | Rand value only  | Rand value only  | Rand value only   |
| Invest Rand value            | R2.1 billion   | R1.2 billion   | R300 million  |
| Project location: Province   | Multiple Locations   | Unspecified  | Multiple Locations  |
| Project location: City/Town  | Not reported   | Not reported   | Not reported  |
| Investor firms               | Imperial Logistics   | DiDi Chuxing   | Airlift Technologies  |
| Investor country             | United Arab Emirates (UAE)   | China  | Pakistan  |
| Investor city                | Dubai  | Beijing  | Lahore  |
| Indicative start date        | March 2022   | March 2022   | March 2022  |
| Indicative end date          | 2025   | Not reported   | Not reported  |
| Project phase                | Announced  | Announced  | Announced   |
| Project type                 | Expansion  | Expansion  | Greenfield  |
| Project industry             | Transport  | Transport  | Services  |
| Project sector               | Supporting and auxiliary transport activities  | Metered taxis  | Information Communications Technology   |
| Permanent jobs               | Not reported   | Not reported   | Not reported  |
| Temporary jobs               | Not reported   | Not reported   | Not reported  |
| Government partnership       | Competition Tribunal   | Not reported   | Not reported  |
| Target market                | Domestic, regional and international   | Domestic   | Domestic  |
| Social development programme | Enterprise and supplier development (includes R15 million on training Black people); Employee share ownership.   | Not reported   | Not reported  |
| Project description          | The investment comes on the back of the Competition Tribunal granting conditional approval to DP World Logistics (owned by Dubai government) for the acquisition of South African firm Imperial Logistics. The investment will go to capital expenditure over four years. DP World specialises in cargo logistics, port terminal operations and maritime services. Combining DP World's infrastructure, with Imperial's logistics and market access will enable the company to integrate end-to-end solutions along key trade routes in and out of Africa, also driving greater supply chain efficiencies. | DiDi plans to expand its e-hailing business in South Africa. Didi Chuxing is a mobility technology platform. In addition to e-hailing and other app-based transportation services DiDi provides bike-sharing; on-demand delivery services; automobile services, including sales, leasing, financing, maintenance, fleet operation, electric vehicle charging and co-development of vehicles with automakers. | The project entails establishing e-commerce services. Airlift Technologies is an e-commerce start-up company that offers instant delivery services. The company operates a network of dark stores and mid-fulfilment centres. |
| Motivation                   | Market access and expansion. Operational efficiency.   | Market expansion   | Market entry and expansion  |

| PROJECT NAME                 | TERACO DATA CENTRE AND POWER GENERATION INFRASTRUCTURE  | P&G DIAPER MANUFACTURING PLANT EXPANSION                       | CONSOL GLASS CONTAINER MANUFACTURING FACILITY   |
|------------------------------|---|--|---|
| Investment value             | Rand value only   | Rand value only  | Rand value only   |
| Invest Rand value            | R1,1 billion  | R450 million   | R1.5 billion  |
| Project location: Province   | Gauteng, KwaZulu-Natal, Western Cape  | Gauteng  | Gauteng   |
| Project location: City/Town  | Johannesburg, Durban and Western Cape   | Kempton Park   | Nigel   |
| Investor firms               | Teraco Data Environments/Birkhire Partners/ Permira   | Procter & Gamble   | Ardagh Group (Consol Glass)   |
| Investor country             | United States and United Kingdom  | United States  | Luxembourg  |
| Investor city                | Multiple  | Cincinnati   | Luxembourg  |
| Indicative start date        | March 2022  | Mar-22   | March 2022  |
| Indicative end date          | Not reported  | Not reported   | Not reported  |
| Project phase                | Announced   | Announced  | Announced   |
| Project type                 | Greenfield  | Expansion  | Expansion   |
| Project industry             | Services  | Manufacturing  | Manufacturing   |
| Project sector               | Information Communications Technology   | Cosmetics  | Manufacture of glass and glass products   |
| Permanent jobs               | Not reported  | Not reported   | Not reported  |
| Temporary jobs               | Not reported  | Not reported   | Not reported  |
| Government partnership       | Not reported  | Not reported   | Competition Tribunal  |
| Target market                | Domestic, regional & international  | Domestic & regional  | Domestic and regional   |
| Social development programme | Not reported  | Not reported   | Not reported  |
| Project description          | Teraco's investment will be going towards a data centre and power generation for its facilities across the country. Teraco began construction of its JB4 data centre in Gauteng in 2020 (for R4.4 billion), which Teraco expects to complete at the end of 2022. Therefore, it is not clear if this newly announced investment is an addition to the ongoing JB4 project or contributing to the development of a new data centre. It seems more likely that the R1.1 billion would be dedicated towards power generation for its facilities (this has not been confirmed or disclosed by Teraco). | P&G plans to expand its diaper manufacturing plant in Gauteng. | Consol Glass in partnership with the Ardagh Group plan to develop a new glass manufacturing facility. The Ardagh Group is a supplier of recyclable metal and glass packaging (at the time of this announcement Ardagh was in the process of acquiring Consol Glass). In 2020 Consol suspended (attributed to the ban on alcohol) the R1,5 billion development of the facility in Nigel which would add 130 000 tons of glass production to Consol Glass's capacity among other benefits. The project seems to be continuing with the new partnership. |
| Motivation                   | Market expansion; responding to demand for cloud services; operational efficiency.  | Market expansion   | Market expansion  |

| PROJECT NAME                 | DEFY APPLIANCES AND ELECTRONICS PRODUCTION PLANT EXPANSION  | HUHTAMAKI PACKAGING SUPPLIES MANUFACTURING FACILITY EXPANSION  | PORCELAIN TILE MANUFACTURING PLANT   |
|------------------------------|---|--|--|
| Investment value             | Rand value only   | Rand value only  | Rand value only  |
| Invest Rand value            | R317 million  | R150 million   | R280 million   |
| Project location: Province   | KwaZulu-Natal   | KwaZulu-Natal  | Gauteng  |
| Project location: City/Town  | Ezakheni  | Verulam  | Not reported   |
| Investor firms               | Defy  | Huhtamaki Fiber Packaging  | Royal Industrial   |
| Investor country             | Turkey  | Finland  | China  |
| Investor city                | Istanbul  | Espoo  | Not reported   |
| Indicative start date        | March 2022  | March 2022   | March 2022   |
| Indicative end date          | Not reported  | Not reported   | Not reported   |
| Project phase                | Announced   | Announced  | Announced  |
| Project type                 | Expansion   | Expansion  | Greenfield   |
| Project industry             | Manufacturing   | Manufacturing  | Manufacturing  |
| Project sector               | Household appliances  | Paper and Paper Products   | Other non-metallic mineral products  |
| Permanent jobs               | Not reported  | Not reported   | Not reported   |
| Temporary jobs               | Not reported  | Not reported   | Not reported   |
| Government partnership       | Not reported  | Not reported   | Not reported   |
| Target market                | Domestic and regional                                       | Domestic and regional  | Domestic and regional  |
| Social development programme | Not reported  | Not reported   | Skills transfer  |
| Project Description          | Defy will be investing in its Ezakheni manufacturing plant. | Huhtamaki is a global food packaging specialist. The company plans to expand its manufacturing capacity at its KwaZulu-Natal plant. The plant manufactures fibre packaging, particularly egg packaging. Huhtamaki focuses on products and services in fibre and foodservice and flexible packaging. The fibre and foodservice business offers molded fibre and paperboard packaging for fresh food and drinks for restaurants, coffee shops and vending operators as well as egg, fruit and vegetable producers. The flexible packaging business produces light flexible packaging materials, pouches and labels for food and drink, coffee packaging, pet food packaging, and barrier packaging among others. | Royal manufactures and distributes porcelain floor and ceramic roof tiles. The company supplies the construction industry and wholesalers. It has operations in Bronkhorstpruit and has been in South Africa since 2011. |
| Motivation                   | Manufacturing capacity expansion                            | Market expansion   | Market expansion   |

| PROJECT NAME                 | HANGDA STEEL MANUFACTURING FACILITY  | VELOCITY ALUMINIUM AND STEEL MANUFACTURING PLANT                               | COLLECTIVE FRENCH INVESTMENT (2022)   |
|------------------------------|--|--|---|
| Investment value             | Rand value only  | Rand value only  | Rand value only   |
| Invest Rand value            | R300 million   | R470 million   | R50 billion   |
| Project location: Province   | Free State   | Gauteng  | Not Reported  |
| Project location: City/Town  | Thaba Nchu   | Not reported   | Not reported  |
| Investor firms               | Hangda Trading   | Velocity Venture   | Various companies   |
| Investor country             | China  | United Arab Emirates (UAE)   | France  |
| Investor city                | Wuhan  | Not reported   | Not reported  |
| Indicative start date        | October 2020   | March 2022   | March 2022  |
| Indicative end date          | Not reported   | Not reported   | Not reported  |
| Project phase                | Construction/Implementation  | Announced  | Announced   |
| Project type                 | Greenfield   | Greenfield   | Greenfield  |
| Project industry             | Manufacturing  | Manufacturing  | Unspecified   |
| Project sector               | Manufacture of basic metals, fabricated metal  | Manufacture of basic metals, fabricated metal                                  | Unspecified   |
| Permanent jobs               | Not reported   | Not reported   | Not reported  |
| Temporary jobs               | 2000   | Not reported   | Not reported  |
| Government partnership       | Department of Environmental Affairs; Free State Development Agency; Department of Trade, Industry and Competition  | Not reported   | Department of Trade, Industry and Competition   |
| Target market                | Domestic, regional and international   | Domestic   | Domestic  |
| Social development programme | Not reported   | Not Reported   | Not Reported  |
| Project description          | Project includes an iron/steel manufacturing plant which would include a 132 kilovolt substation. Secondary steelmaking will entail the use of heat furnaces to melt recovered ferrous scrap metal, thereafter refined in ladles including the cooling of steel and the final rolling of steel billets into different steel products. The project utilises the latest steelmaking technology and cleaner production techniques The plant will be located within an already established industrial area managed by the Free State Development Corporation. The project has been in the pipeline since 2020. | Velocity Venture made a commitment to developing an aluminium and steel plant. | The 22 companies behind this round of investments are Advini, Air Liquide, Alstom, BNP Paribas, Bolloré Logistics, Bureau Veritas, Danone, EDF, Engie, Kasada, Leroy Merlin, Limagrain, L'Oréal, Mobilitas, Pernod Ricard, Sanofi, Saint-Gobain, Schneider Electric, Séché, Total Energies, Trace and Veolia. They operate in diverse industries including renewable energy and various manufacturing subsectors. The details of the investments will be updated as information becomes available. These are not yet available. |
| Motivation                   | Market entry and expansion   | Market Entry   | Commitment to invest in South Africa  |

## REFERENCES

- Airlift Technologies. n.d. Airlift Technologies. Available at: <https://airlifttech.com/> (accessed 9.29.22).
- Areff, A. 2021. Competition Tribunal approves Burger King sale, conditions include 60 new stores Fin24. 21 September 2021. Available at: <https://www.news24.com/fin24/Companies/Retail/competition-tribunal-approves-burger-king-sale-conditions-include-60-new-stores-20210921> (Accessed 9.28.22).
- Arnoldi, M. 2022. BLSA wishes to see more regulatory change announcements at investment conference. Engineering News. 22 March 2022. Available at: <https://www.engineeringnews.co.za/article/blsa-wishes-to-see-more-regulatory-change-announcements-at-investment-conference-2022-03-22> (Accessed 11.8.22).
- BER. 2022a. ABSA Purchasing Managers' Index History Data 2022. Bureau for Economic Research. Available at: [https://www.ber.ac.za/BER%20Documents/ABSA-PMI-History-\(Excel\)/?doctypeid=1100&year=2022#15000](https://www.ber.ac.za/BER%20Documents/ABSA-PMI-History-(Excel)/?doctypeid=1100&year=2022#15000) (Accessed 11.8.22).
- BER. 2022b. ABSA Purchasing Managers' Index. January 2022 Bureau for Economic Research. Available at: <https://www.ber.ac.za/BER%20Documents/ABSA-PMI/?doctypeid=1066&year=2022#15255> (Accessed 11.8.22).
- BER. 2022c. ABSA Purchasing Manager's Index. February 2022. Bureau for Economic Research. Available at: <https://www.ber.ac.za/BER%20Documents/ABSA-PMI/?doctypeid=1066&year=2022#15255> (Accessed 11.8.22).
- BER. 2022d. ABSA Purchasing Managers' Index. March 2022. Bureau for Economic Research. Available at: <https://www.ber.ac.za/BER%20Documents/ABSA-PMI/?doctypeid=1066&year=2022#15255> (Accessed 11.8.22).
- Biovac. n.d. Biovac. Available at: <https://www.biovac.co.za/> (Accessed 11.8.22).
- Bulbulia, T. 2022a. SAB to invest a further R920m into its Prospecton, Ibhayi breweries. Engineering News. 24 March 2022. Available at: <https://www.engineeringnews.co.za/article/sab-to-invest-a-further-r920m-into-its-prospecton-ibhayi-breweries-2022-03-24> (Accessed 9.14.22).
- Bulbulia, T. 2022b. Tharisa signs MoU for 40 MW solar plant. Mining Weekly. 4 February 2022. Available at: <https://www.miningweekly.com/article/tharisa-signs-mou-for-40-mw-solar-plant-2022-02-04> (Accessed 9.12.22).
- Burger, S. 2022. French companies announce R50bn in new South African investments. Engineering News. 24 March 2022. Available at: <https://www.engineeringnews.co.za/article/french-companies-announce-r50bn-in-new-south-african-investments-2022-03-24> (Accessed 9.29.22).
- BusinessTech. 2022. South African Breweries outlines R4.5 billion commitment to South African economy. Available at: <https://businesstech.co.za/news/business/571168/south-african-breweries-outlines-4-5-billion-commitment-to-sa-economy/> (Accessed 9.16.22).
- Changole, A. 2022. Netflix to invest R929 million in South Africa's film and TV industry. Fin24. Available at: <https://www.news24.com/fin24/companies/netflix-to-invest-r929-million-in-south-africas-film-and-tv-industry-20220324> (Accessed 9.28.22).
- Compagnie Mauricienne de Textile Ltée. n.d. Homepage. Available at: <http://www.cmt.mu/> (Accessed 11.3.22).
- Competition Tribunal. 2022. Tribunal approves Dubai Ports World's acquisition of Imperial Logistics subject to public interest conditions, including worker ownership. 24 February 2022. Available at: <https://www.comptrib.co.za/info-library/case-press-releases/tribunal-approves-dubai->

governments-acquisition-of-imperial-logistics-subject-to-public-interest-conditions-including-worker-ownership (Accessed 9.29.22).

Consol Holdings. 2021. Acquisition of Consol Holdings by Arcagh Group. 26 November 2021. Available at: <https://www.consol.co.za/assets/files/Consol-Media-Release-Business-Announcement.pdf>

Creamer, M. 2021. 60Moz Sedibelo platinum expansion, construction of Kell beneficiation plant. Engineering News. 22 January 2021. Available at: <https://www.engineeringnews.co.za/article/60moz-sedibelo-platinum-expansion-construction-of-kell-beneficiation-plant-2021-01-22/searchString:sedibelo+platinum+mines> (Accessed 11.3.22).

Creamer, T. 2022. AfDB to set up facility to support South Africa's just energy transition. Engineering News. 24 March 2022. Available at: [https://www.engineeringnews.co.za/article/afdb-to-set-up-facility-to-support-south-africas-just-energy-transition-2022-03-24/rep\\_id:4136](https://www.engineeringnews.co.za/article/afdb-to-set-up-facility-to-support-south-africas-just-energy-transition-2022-03-24/rep_id:4136) (Accessed 11.3.22).

CSIR. 2021. Dr. Patrick Soon-Shiong and NantAfrica announce launch of Covid-19 and Cancer vaccine initiative in South Africa in partnership with the CSIR and the South African Medical Research Council. Council for Scientific and Industrial Research. Available at: <https://www.csir.co.za/dr-patrick-soon-shiong-and-nantafrica-announce-launch-covid-19-and-cancer-vaccine-initiative> (Accessed 9.28.22).

Daimler Truck Southern Africa. n.d. Daimler Trucks & Buses Southern Africa ushers in a new dawn for all who keep Africa moving. Available at: <https://dtsa.daimlertruck.com/news-at-a-glance/daimler-trucks-buses-southern-africa-ushers-in-a-new-dawn-for-all-who-keep-africa-moving> (Accessed 9.28.22).

Department of Mineral Resources and Energy, Department of Trade Industry and Competition, Department of Science and Technology, 2022. Draft South African Renewable Energy Master Plan.

DiDi. 2021. Didi Chuxing Expands to Cape Town, South Africa. News Detail. 29 March 2021. Available at: <https://www.didiglobal.com/news/newsDetail?id=993&type=news> (accessed 11.3.22).

Dludla, S. 2022. US-based streaming service Netflix boosts SA economy with R900 million investment in film production. Business Report. Available at: <https://www.iol.co.za/business-report/companies/us-based-streaming-service-netflix-boosts-sa-economy-with-r900-million-investment-in-film-production-6c884399-0292-4aa2-bded-cae20e009bdf> (Accessed 9.28.22).

DP World, n.d. DP World. Smart Trade and Logistics. Parks and Economic Zones. Ports and Terminals. Available at: <https://www.dpworld.com/> (Accessed 11.3.22).

DSV. 2022. World class facilities underpin DSV's commitment to SA's growing logistics market. Available at: <https://www.dsv.com/en-za/about-dsv/press/news/za/2022/03/growing-the-logistics-market-with-dsv-world-class-facilities> (Accessed 9.29.22).

DSV. 2021. DSV inaugurates the largest integrated logistics centre in Africa. Available at: <https://www.dsv.com/en/about-dsv/press/news/com/2021/09/dsv-inaugurates-the-largest-integrated-logistics-centre-in-africa> (Accessed 9.29.22).

ECP Investments, n.d. News – ECP Investments. Available at: <https://www.ecpinvestments.com/news/> (Accessed 9.28.22).

Huhtamaki. 2021. Huhtamaki invests in new fiber packaging capacity in South Africa. Media release. Available at: <https://www.huhtamaki.com/en/media/media/press-release/2021/huhtamaki-invests-in-new-fiber-packaging-capacity-in-south-africa/> (Accessed 11.3.22).

IDC. 2022. IDC Statement on Mara Phones. Industrial Development Corporation. February 2022. Available at: <https://www.idc.co.za/2022/02/09/idc-statement-on-mara-phones-feb-2022/> (Accessed 11.7.22).

- Imperial Logistics. 2022. Imperial Investor Relation. Latest news. DP World's offer to acquire 100% stake in Imperial successfully concluded. Available at: <https://www.imperiallogistics.com/news-article.php?articleID=11920> (Accessed 9.29.22).
- Keenan, J. 2022. NantWorks founder Soon-Shiong plans vaccine plant in South Africa, pledges \$6.5M to train workers. Fierce Pharma. Available at: <https://www.fiercepharma.com/manufacturing/nantworks-founder-plans-vax-plant-south-africa-pledges-6-5m-scholarships-to-train> (Accessed 9.28.22).
- Le Roux, K. 2022. Pfizer to invest R255m in South Africa to make Covid-19 vaccines for Africa CapeTalk. Available at: <https://www.capetalk.co.za/articles/441674/pfizer-to-invest-r255-million-in-south-africa-to-make-covid-19-vaccines-for-africa> (Accessed 11.8.22).
- Liddell, K.S., Adams, M.D., Smith, L.A. and Muller, B. 2019. Kell hydrometallurgical extraction of precious and base metals from flotation concentrates - Piloting, engineering, and implementation advances. In *J. South. Afr. Inst. Min. Metall.* 119. Available at: <https://doi.org/10.17159/2411-9717/602/2019>
- Liedtke, S. 2020. DTIC revitalisation programme makes progress at Botshabelo Industrial Park. Engineering News. 26 October 2020. Available at: <https://www.engineeringnews.co.za/article/dtic-revitalisation-programme-makes-progress-at-botshabelo-industrial-park-2020-10-26/searchString:hangda> (Accessed 9.30.22).
- Lindeque, M. 2022. Pfizer pledges R255 million investment into manufacturing COVID vaccines in SA Available at: <https://ewn.co.za/2022/03/25/pfizer-pledges-r255-million-investment-into-manufacturing-covid-vaccines-in-sa> (accessed 9.28.22).
- Lotus Bakeries, n.d. Homepage. Available at: <https://www.lotusbakeries.com/> (accessed 11.3.22).
- Modise, T., 2019. Prepared for: Hangda Trading (Pty) Ltd 1033.
- NantWorks, n.d. Homepage. Available at: <https://nantworks.com/> (Accessed 11.3.22).
- PFNonwovens. 2021. PFN announces major expansion in South Africa. Available at: <https://www.pfnonwovens.com/pfn-announces-major-expansion-in-south-africa/> (Accessed 9.28.22).
- Polarium, n.d. About Us. Energy storage lithium solutions. Available at: <https://polarium.com/about-us/> (Accessed 11.3.22).
- Royal. n.d. About Royal Industrial (Pty) Ltd. Available at: <https://rayalindustrial.co.za/about/> (Accessed 9.29.22).
- Teraco. 2020. Teraco Breaks Ground on 38MW Hyperscale Data Centre Build. Available at: <https://www.teraco.co.za/news/hyperscale-data-centre-for-teraco/> (Accessed 11.3.22).
- SANews, 2022a. SA ripe with opportunities for investors Available at: <https://www.sanews.gov.za/south-africa/sa-ripe-opportunities-investors> (Accessed 11.3.22).
- SANews, 2022b. Investing in SA. Available at: <https://www.sanews.gov.za/south-africa/investing-sa> (Accessed 11.3.22).
- SARB, 2022a. Currency and Exchanges: Guidelines for Business Entities. South African Reserve Bank.
- SARB, 2022b. Economic and financial statistics for South Africa. South African Reserve Bank.
- SARB, 2022c. Composite Business Cycle Indicators. South African Reserve Bank.
- SARB, 2022d. Composite business cycle indicators for South Africa - March 2022. South African Reserve Bank.



- SARB, 2022e. Composite business cycle indicators for South Africa - April 2022. South African Reserve Bank.
- SARB, 2022f. Composite Business Cycle Indicators for South Africa– May 2022. South African Reserve Bank.
- Sedibelo Platinum Mines, 2022. Renewable energy projects for Sedibelo Pilanesberg Platinum Mines.
- Sedibelo Platinum Mines. 2020. Sedibelo Platinum Mines announces 60m oz ‘Triple Crown’ expansion and construction of its Kell beneficiation plant.
- Seraphim Energy, n.d. Solar Module Manufacturer. Solar PV Panel. Available at: <https://www.seraphim-energy.com/> (Accessed 11.3.22).
- Siwele, K. and Naidoo, P. 2022. S.Africa First-Quarter Economic Growth Beats Forecasts. Bloomberg.com.
- South African Government. 2022a. MEC Ivan Meyer welcomes Lotus manufacturing South Africa’s R170m investment in Wolseley. Available at: <https://www.gov.za/speeches/mec-ivan-meyer-welcomes-lotus-manufacturing-south-africas-r170m-investment-wolseley-12-apr> (Accessed 11.3.22).
- South African Government. 2022b. President Cyril Ramaphosa: Official launch of Nant-SA Vaccine Manufacturing Campus. Available at: <https://www.gov.za/speeches/president-cyril-ramaphosa-official-launch-nant-sa-vaccine-manufacturing-campus-19-jan-0> (Accessed 9.28.22).
- Staff, M. 2022. Audi and GridCars team up to install SA’s first 150kW ultra-fast EV chargers. Available at: <https://www.iol.co.za/motoring/industry-news/audi-and-gridcars-team-up-to-install-sas-first-150kw-ultra-fast-ev-chargers-3198cd2a-d270-43c6-935c-92f5ce5f7dea> (Accessed 9.12.22).
- Stats SA. 2022. Gross Domestic Product, First Quarter 2022. Statistics South Africa.
- Thukwana, N. 2022. IDC pulled the plug on Mara Phones after it failed to meet production targets. Businessinsider. Available at: <https://www.businessinsider.co.za/idc-says-mara-could-not-meet-targets-due-to-pandemic-disruptions-2022-2> (Accessed 11.7.22).
- TIPS. 2021. The Real Economy Bulletin Third Quarter 202. Trade & Industrial Policy Strategies. Available at: <https://www.tips.org.za/manufacturing-data/the-real-economy-bulletin/quarterly-bulletin/item/4261-the-real-economy-bulletin-third-quarter-2021> (Accessed 11.8.22).
- Windell, C. 2022. Audi Partners With GridCars to Deploy Ultra-Fast Charging. Carshop News. Available at: <https://www.carshop.co.za/news/audi-gridcars-ultra-fast-charging-south-africa> (Accessed 9.12.22).



## APPENDIX

**Table 5. Investment-related metrics used in the analysis**

| METRIC                           | SOURCE   | FREQUENCY | DESCRIPTION   |
|----------------------------------|----------|-----------|---|
| Inward investment data           | SARB     | Quarterly | Inward investment is composed of direct investments, portfolio investments, financial derivatives, and other investments.   |
| Gross fixed capital formation    | Stats SA | Quarterly | GFCF is a component of GDP that groups transactions on the net acquisitions (acquisitions less disposals) of capital assets, both existing and new, by general government, private enterprises (i.e. private and quasi-corporations) and public corporations and in addition households and unincorporated enterprises.   |
| Purchasing Managers' Index (PMI) | Absa/BER | Monthly   | The survey is conducted by way of questionnaires to a panel of purchasing managers in the manufacturing sector. The questionnaire consists of nine questions on the monthly changes in business conditions in the manufacturing sector. Respondents indicate qualitatively whether a particular activity has increased, decreased or remained unchanged.  |
| Leading indicator Index          | SARB     | Monthly   | The leading indicator index aims to predict future economic activity. The index is based on job advertisements, building plans passed, interest rate spread, real M1 money supply, an index of commodity prices for export commodities, the composite leading business cycle indicator of South Africa's major trade partners, gross operating surplus as a percentage of GDP, the RMB/BER Business Confidence Index, the average number of hours worked per factory worker, the net balance of manufacturers observing an increase in the volume of domestic orders received, and the number of new passenger vehicles sold. |