

INVEST IN CAPE TOWN

REGIONAL MARKET ANALYSIS AND
INTELLIGENCE REPORT 2019/2020



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
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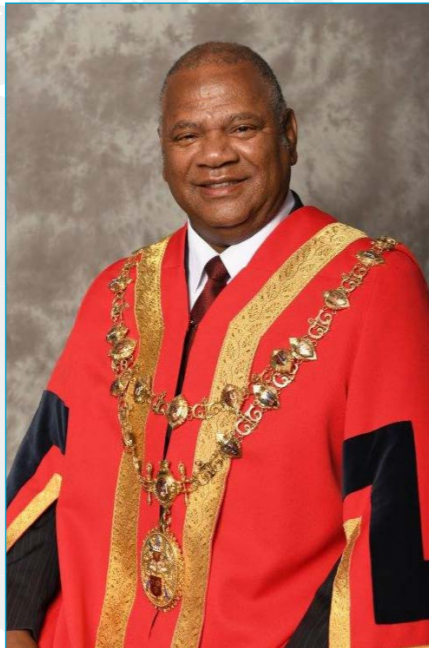
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INTRODUCTION

This document has been developed to showcase the current investment climate within Cape Town for potential investors. This will enable more enlightened business decisions.

The document identifies the opportunities afforded to businesses; and provides information on eight identified sectors of the economy that present high growth sectors for investment. Facilitated by the combined efforts of the general public, private and public sectors; these incentives, developments and economic growth sectors essentially present current and future investors with a growing business and investor friendly environment in which to operate.



Executive Mayor of the City of Cape Town, Dan Plato

Having long been recognised as one of the top tourist destinations in the world with titles like ‘world’s friendliest city’ and ‘world’s leading festival and events capital,’ we are proud that in recent years we have been receiving recognition for the hard work we have put in to make Cape Town the most attractive city for investment on the Africa Continent.

With our focus now on fighting the COVID-19 global pandemic, and the impact that this will have on economies around the world, we will need to find new and innovative ways to celebrate the natural beauty of our city and support the hard work of our local tourism sector for earning us titles such

as being named Africa’s leading digital city, leading festival and events destination, and annually being recognised as a top global city by various organisations and publications.

These accolades are, a reflection of the hard work that this administration has put in to make sure we continue to attract investment and that we have the right infrastructure and systems in place to ensure ease of doing business for global companies looking for a home in Africa.

Amazon, textile manufacturer PFnonwovens and digital consulting agency Capita are just some of the major corporations who have set up shop in our beautiful city.

Despite these achievements, we cannot ignore the prevailing circumstances and all our efforts must be geared towards addressing and overcoming this pandemic.

A common theme comes to mind when thinking of what we are living through: resilience. Just two years ago we called on our residents to assist us in overcoming one of the worst droughts we have ever faced. By working together, we kept Cape Town’s taps running. Lessons from this challenging period helped formulate the city’s resilience strategy, part of which is adapting to acute shocks such as disease outbreaks, much like the COVID-19 pandemic we are currently facing. Acute shocks brought on by climate change, disease and other events, are linked to chronic stressors such as high unemployment - which is increasing across the world as a result of the outbreak.

We are Africa’s leading digital city, leading festival and events destination, and annually are recognised as a top global city in accolades bestowed by various organisations and publications.

Relating to energy resilience, we are one of the most energy secure cities in the country and are actively looking to reduce our reliance on Eskom so that we can stay open for business without having to worry about shortcomings that are beyond our control.

We are working hard to adequately respond to this pandemic on a local government level through comprehensive testing, awareness and food relief, while at the same time actively preparing for the recovery period

The City’s Economic Action Plan has highlighted three stages of intervention in response to the crisis. The following is part of the overall plan to assist business in Cape Town.

- providing support to the BPO (call centres) sector by helping to equip their staff to work from home.
- Successfully lobbying national government to amend certain restrictive regulations, relating to the unbanning of the e-commerce sector, to protect both lives and livelihoods.
- We have helped companies re-purpose manufacturing towards the manufacture of Personal Protective Equipment.
- The City’s Finance Directorate has made relief measures available to guest houses and certain B&Bs, which could cut rates bills in half.
- The City has also started the SMME COVID-19 Toolkit initiative, which is available to SMMEs in Cape Town, and aims to supply thousands of toolkits to get businesses back to work safely as soon as they are allowed to do so.

With the resilience and commitment our residents have already demonstrated, I am confident we can make it through these difficult times.

We look forward to again working with our very capable partners, including Wesgro, Cape Town Tourism and Cape Town International Airport who work with the City’s Economic Opportunities and Asset Management Directorate through Invest Cape Town. This city works because we work together.





MMC for Economic Opportunities and Asset Management, James Vos

The impact of Covid-19 has made its presence felt on the economy and local businesses. My team in the City's Enterprise and Investment Department have been working hard to find ways to mitigate the economic impact and the corresponding lockdown has had on so many sectors of our economy.

I am fully aware that many businesses in Cape Town have been pushed to the brink. That is why we are exploring measures to ensure that we not only minimise the effects of this crisis - but build a stronger, more resilient future for our businesses and ultimately the residents of Cape Town.

I therefore established early on in this crisis an Economic Task Team tasked with formulating the City's Economic Action Plan which identifies three stages of intervention in response to the crisis. These stages are - respond, adapt and recover, and stabilise.

This plan can be found on our Invest Cape Town website, which is also frequently updated with the latest and most accurate information available to give businesses access to vital resources on ongoing interventions and assistance available from national, provincial and local government.

In the midst of this crisis, we have seen some remarkable examples of adaptation and innovation and I am proud of the work done by the various officials to assist businesses in this regard. The 'Women in Business programme' is inspiring example of adapting to a new way of working by embracing technology. In response to the COVID-19 pandemic, the programme has been adapted to enable successful delivery and engagement on an exclusively online basis. Participants will also have access to additional online learning components.

I am also particularly proud of the SMME COVID-19 Toolkit initiative, which targets SMMEs in Cape Town, providing thousands of toolkits with essentials to help get businesses back to work safely. Likewise, the support given to small businesses through The Business Hub, an initiative of the City's Enterprise and Investment Department that functions as an one-stop shop with various units on hand to assist SMMEs with business rescue initiatives, red tape reduction and enterprise and supplier development.

That is why we are exploring measures to ensure that we not only minimise the effects of this crisis - but build a stronger, more resilient future for our businesses and ultimately the residents of Cape Town.

The City of Cape Town and our official Destination Marketing Organisation, Cape Town Tourism, have formulated plans, embracing technology and using research as a strategic guide, to plot a sustainable future for the City's vital and vibrant tourism sector. If you fail to plan, you plan to fail and I am proud of the work that has gone into helping the tourism industry on the road to readiness and recovery.

The COVID pandemic and associated preventative measures has fundamentally changed the way we work. The City continues to work through our Strategic Business Partners to look at equipping businesses for new ways of working.

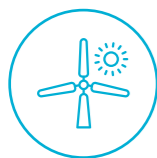
In every crisis, there is an opportunity and the City is actively working to identify and exploit new sectoral opportunities that are emerging.





AFRICA'S HIGH-PERFORMANCE BUSINESS HUB

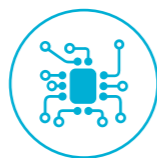
WHERE BIG IDEAS AND INNOVATION MEET.
Cape Town is a forward-looking city with a range of exciting business opportunities for investors.



A green tech industry with opportunities in wind, solar PV, smart meters, batteries, waste, water tech, gas and chemicals value chains.



Best city in South Africa in getting electricity to investors and granting construction permits - World Bank Ease of Doing Business 2018.



The tech hub of Africa with the most tech start-ups of any city on the continent. Home to Amazon, DHL and Naspers.



World-class infrastructure, sound governance, and four top African universities providing a skilled workforce.



To date, Cape Town Air Access has helped land 15 new routes, and 20 route expansions, resulting in over 1.5 million two-way seats being added into Cape Town.



1 SOUTH AFRICA AT A GLANCE

Competitiveness

In 2018, South Africa was the 39th largest global destination market for greenfield investment out of 109 countries. The country was the largest destination and source market for greenfield investment on the African continent (FDI Markets, 2019).

In terms of global competitiveness, South Africa fared better than Brazil and India, ranking 60th out of 141 countries. Furthermore, the quality of overall infrastructure in South Africa was on par with its fellow BRIC partners. South Africa's literacy rate is particularly high, achieving a higher ranking than that of Brazil and India.

KEY COMPETITIVE INDICATORS, 2019

INDICATOR	SOUTH AFRICA	BRAZIL	CHINA	INDIA	RUSSIA
DEMOGRAPHICS					
Population (millions)	55.38	208.85	1 384.68	1 296.83	142.12
Life Expectancy at birth (years) 2018	64.1	74.3	75.8	69.1	71.3
Unemployment rate (%) 2017	27.5%	12.8%	3.9%	8.5%	5.2%
THE ECONOMY					
Gross Domestic Purchasing Power Parity (USD PPP)	767.2 billion	3.24 trillion	23.21 trillion	9.47 trillion	4.02 trillion
GDP per capita (USD PPP)	13,600	15,600	16,700	7,200	27,900
GDP (PPP) as share (%) of world total	0.57	2.4	19.2	8.0	3.07
Total Investment (% of GDP)	17.9	15.4	44.8	31.3	22.7
Gross national savings (% of GDP)	16.1	15	45.8	28.8	26.5
Average Inflation rate (%)	5.3	3.4	1.6	3.6	3.7
COMPETITIVENESS					
Global Competitiveness ranking (/141)	60	71	28	68	43
Travel and Tourism Competitiveness (/140)	61	32	13	34	39
Information Communications Technology Adoption ranking (/141)	89	67	18	120	22
Quality of overall infrastructure (/141)	69	78	36	70	50
Literacy rate (%)	94	92	96	71	99.7

Sources: International Monetary Fund World Data (2019), The Global Competitiveness Report 2019, and CIA World Factbook (2019)

2

CAPE TOWN: A WORLD CLASS CITY

Cape Town has a sophisticated, diverse and dynamic economy, and is a regional hub for entrepreneurship and innovation. Cape Town companies have a strong footprint across the African continent and in a number of other regions across the globe.

The City is the main economic base for the Western Cape and the second most important contributor to national employment among South African cities. Cape Town has also consistently recorded higher economic growth rates than the national economy in the past 5 years, showing impressive resilience during a challenging post-recession period for South Africa. The City boasts spectacular natural scenery and is a renowned tourist destination, receiving a number of international accolades.

KEY ECONOMIC INDICATORS OF CAPE TOWN

Population (2018)	4 322 031
GDP - Regional (GDP-R) (current prices), 2018	R467.5 billion
Inflation (2018 average for Western Cape)	5,32%
Ethnic groups	Black African (43,45%), Coloured (41,73%), Asian/Indian (1,45%), White (13,38%)
Functional Literacy, 2018	92,3%
Human Development Index (HDI), 2018	0,74

Source: City of Cape Town, 2019; Statistics South Africa, 2019; Quantec, 2019; IHS Markit, 2019

COMPARATIVE ANALYSIS OF CAPE TOWN AND OTHER SOUTH AFRICAN CITIES

Indicators	Cape Town	Johannesburg	Tswane (Pretoria)	Ethekwini (Durban)	Ekurhuleni
Population (millions) (2018)	4,32	5,54	3,52	4,06	3,78
Population average annual growth rate(2013 - 2018)	2,44%	3,28%	2,79%	1,89%	2,53%
Average annual GDP-R growth (constant prices, 2013-2018)	1,71%	1,43%	2,10%	1,55%	1,49%
Average annual GDP-R growth (constant prices, 2008-2018)	2,10%	1,79%	2,77%	2,09%	1,87%
Exports (R billions, 2018)	84,2	391,9	170,0	79,1	83,2
Foreign Direct Investment (FDI) Projects (Total number, 2008-2018)	287	543	8	66	N/A

Sources: Statistics South Africa, 2019; IHS Markit, 2019; Quantec, 2019; FDI Intelligence, 2019



3

CAPE TOWN AT A GLANCE

3.1 Education and skills

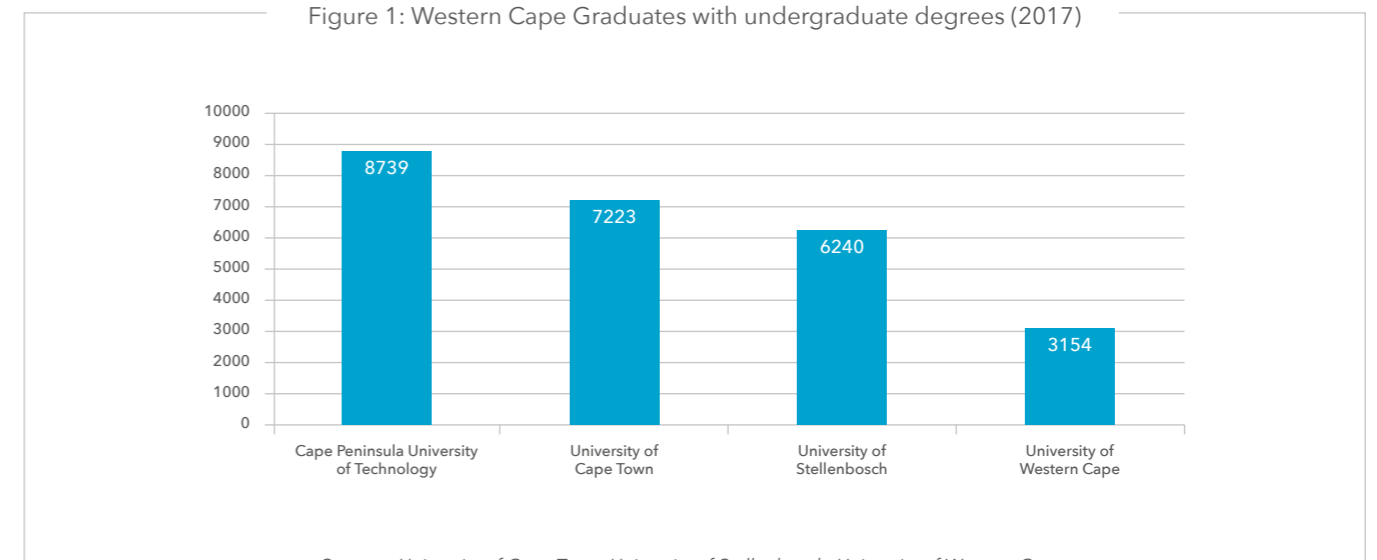
Cape Town has four tertiary education institutions:

- University of Cape Town (highest QS World Ranking amongst African universities);
- University of Stellenbosch Business School;
- University of the Western Cape; and,
- Cape Peninsula University of Technology.

In addition, the University of Stellenbosch (second highest QS World Ranking amongst South African universities) is located just outside of the city's boundaries.

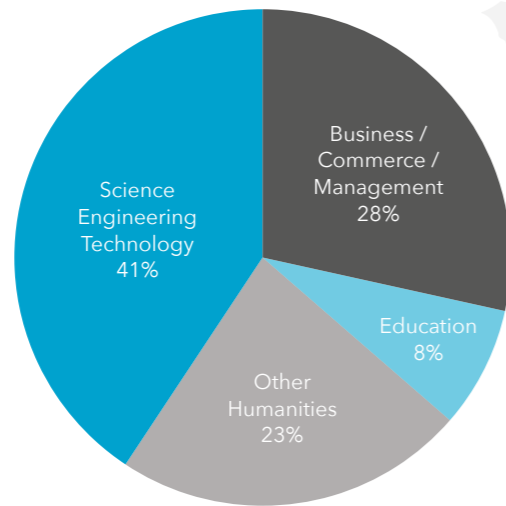
In 2017, approximately 76 015 students were enrolled in the four Western Cape universities (the three Cape Town universities and Stellenbosch University) in the Science, Engineering and Technology fields while 43 082 students were enrolled in the Business, Commerce and Management fields (Cape Higher Education Consortium (CHEC), 2018). Of the Province's graduates obtaining undergraduate degrees in 2017, 34,5% graduated from Cape Peninsula University of Technology, 28,5% graduated from University of Cape Town, 24,6% graduated from University of Stellenbosch and 12,4% graduated from University of Western Cape.

Figure 1: Western Cape Graduates with undergraduate degrees (2017)



Sources: University of Cape Town, University of Stellenbosch, University of Western Cape, Cape Peninsula University of Technology, (2019)

Figure 2: Western Cape Graduates by Classification of Educational Subject Material (CESM), 2015



Source: CHEC Standardized Regional Statistics (2019)

Skills Development

The City of Cape Town collaborates with the private and public sectors' stakeholders to ensure a steady supply of skills needed by industry. Key stakeholders include national, provincial and private strategic partners, including non-profit organisations. This collaboration ensures impactful skills training for unemployed young people in Cape Town. Skills development training programs implemented by these key stakeholders are geared towards fulfilling industry demand and beneficiaries of the development programs often end up in internships and permanent employment.

Current skills development programs undertaken through the City of Cape Town include Business Process Out-sourcing entry level agent training, supervisor and team leader training, software and business analysis training in IT, digital training, clothing, textile and fashion training as well as green economy related training interventions.

Cape Skills Accelerator Project

The Cape Skills Accelerator Project seeks to create 3300 employment opportunities for youth and women in marginalised communities.

The project is aligned to the Integrated Development Plan (IDP) that proclaims "the City will drive economic inclusion to improve citizens' quality of life and levels of self-determination, and create an enabling environment for economic growth by working with its partners to support skills development initiatives in high growth sectors."

This project will be undertaken in order to address the youth unemployment challenge.

3.2 Employment profile

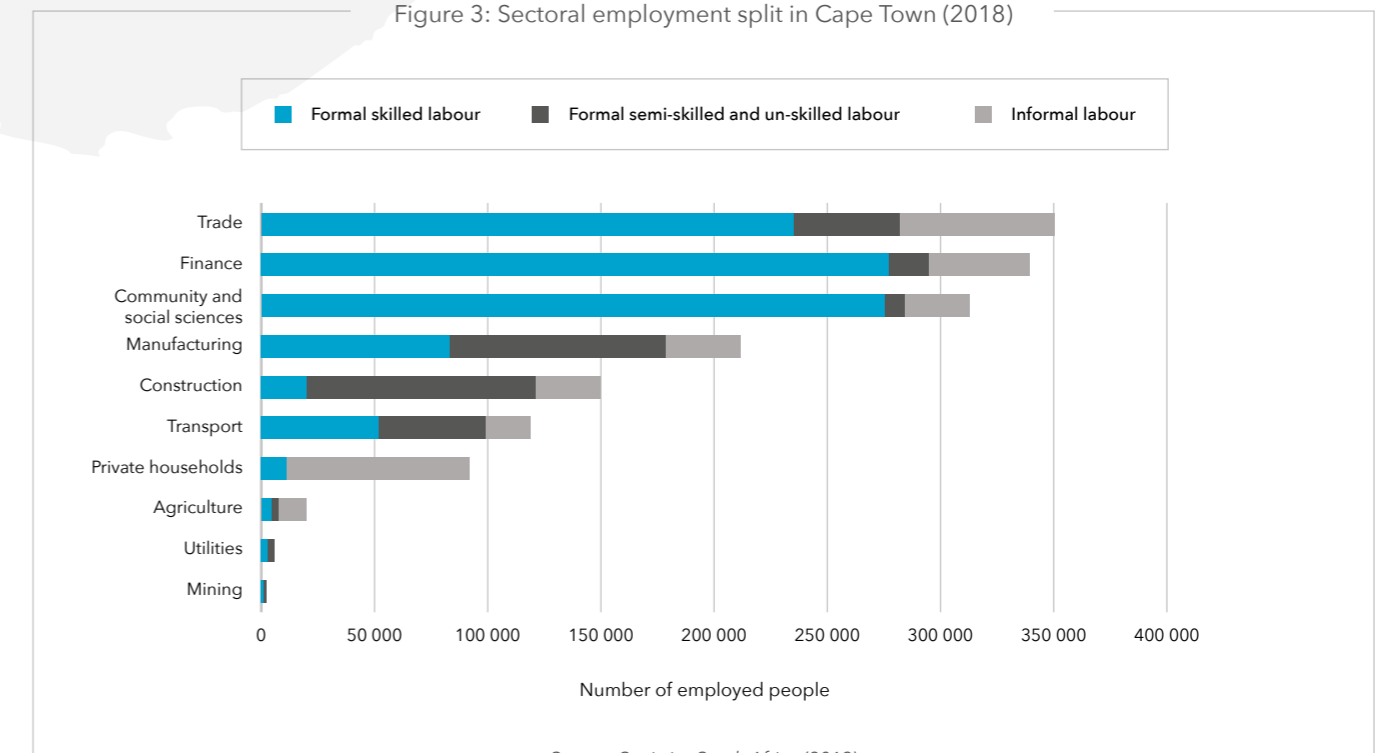
CAPE TOWN'S EMPLOYMENT INDICATORS, 2018

Population aged 15-64 years	2 905 239
Labour Force Participation Rate	70%
Employed	1 599 119
Strictly Unemployed ¹	437 662
Not Economically Active ²	868 457
Strict unemployment rate	22%

Source: Statistics South Africa, 2019

Cape Town's top employing sectors were the finance, community and social services, and trade sectors. The finance and business services sector employed the largest number of skilled individuals in 2018 (276 917) and the construction sector employed the largest number of semi-skilled and unskilled individuals (99 959).

Figure 3: Sectoral employment split in Cape Town (2018)



Source: Statistics South Africa (2019)

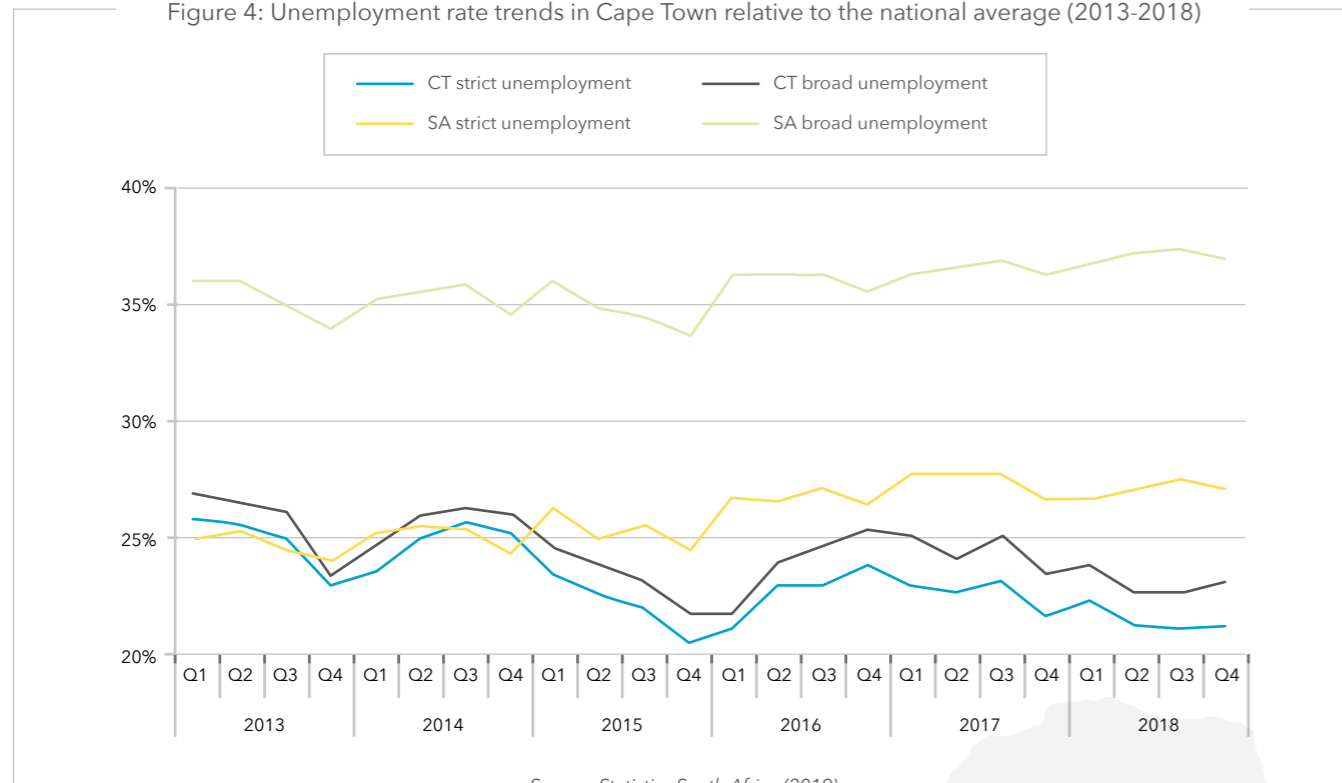
A challenging macroeconomic climate at a national level, has seen a steady increase in the unemployment rate over the past two years. Cape Town has, nevertheless, maintained a strict unemployment rate which is slightly below the national strict rate, and a broad unemployment rate which is over 14 percentage points lower than the comparable national rate. The reason for Cape Town's comparatively low broad unemployment rate, both compared to the country as a whole and the other metros (see Figures 4 and 5), lies in the relatively small number of discouraged work-seekers in the City. This reflects on a labour market which, while not always providing sufficient employment opportunities to absorb new labour entrants, continues to sustain a strong level of participation and active job seeking.

¹ The strict definition of unemployment considers a person to be unemployed only if they have "taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview". They are sometimes referred to as the "searching unemployed".

² A person is considered to be economically inactive if they were able and available to work in the week prior to the survey but did not work, did not look for work and did not try to start their own business.

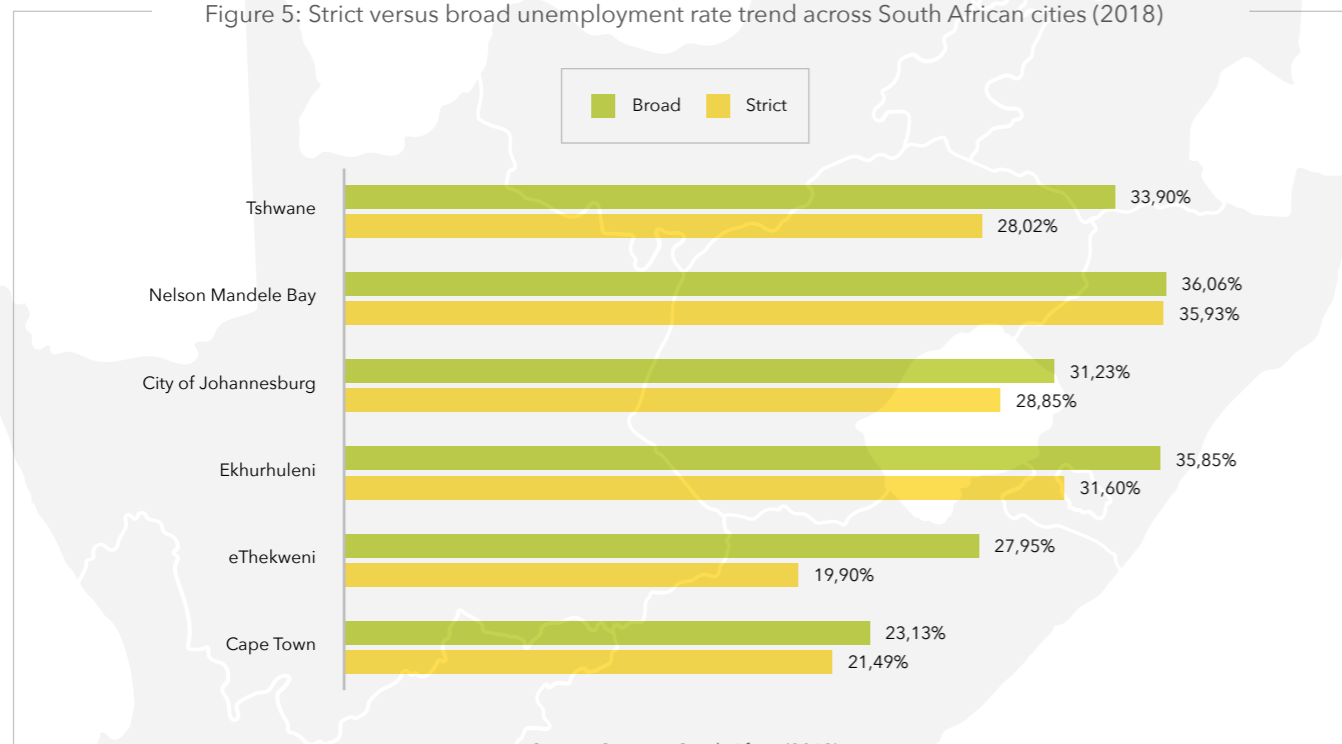
³ Broad definition of unemployment includes discouraged job-seekers: those that want to work but are not actively searching for a job as they have lost hope, wanted to work but there are no jobs in the area or were unable to find work that required their skills. They are sometimes referred to as the "non-searching unemployed".

Figure 4: Unemployment rate trends in Cape Town relative to the national average (2013-2018)



Source: Statistics South Africa (2019)

Figure 5: Strict versus broad unemployment rate trend across South African cities (2018)

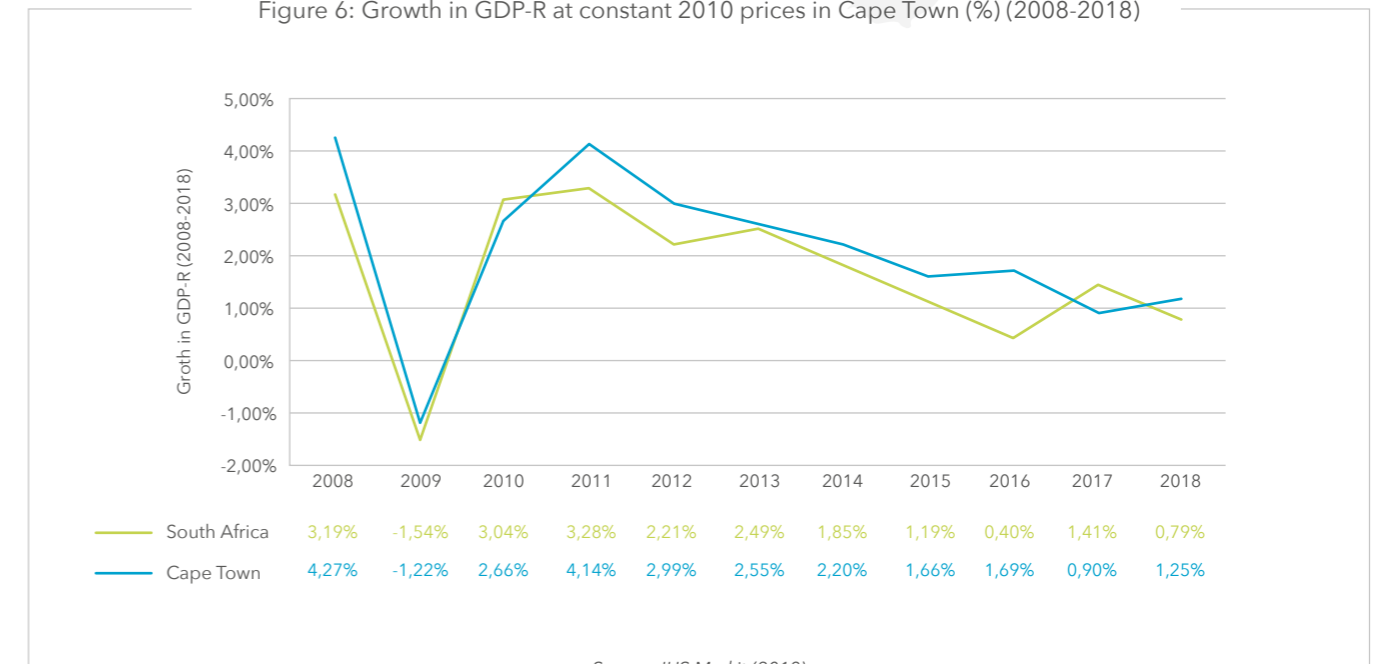


Source: Statistics South Africa (2019)

3.3 Cape Town's economy

As a global mid-sized developing city, Cape Town acts as a magnet for talent, investment and production, utilising economies of scale to grow faster than the broader region in which it is located. The city, nevertheless, as shown in Figure 6 below, finds itself affected by economic shocks to the national economy. The City's GDP-R grew by an average of 1,54% between 2014 and 2018, on average growing 0,41 percentage points faster than the national economy during this time.

Figure 6: Growth in GDP-R at constant 2010 prices in Cape Town (%) (2008-2018)



Source: IHS Markit (2018)

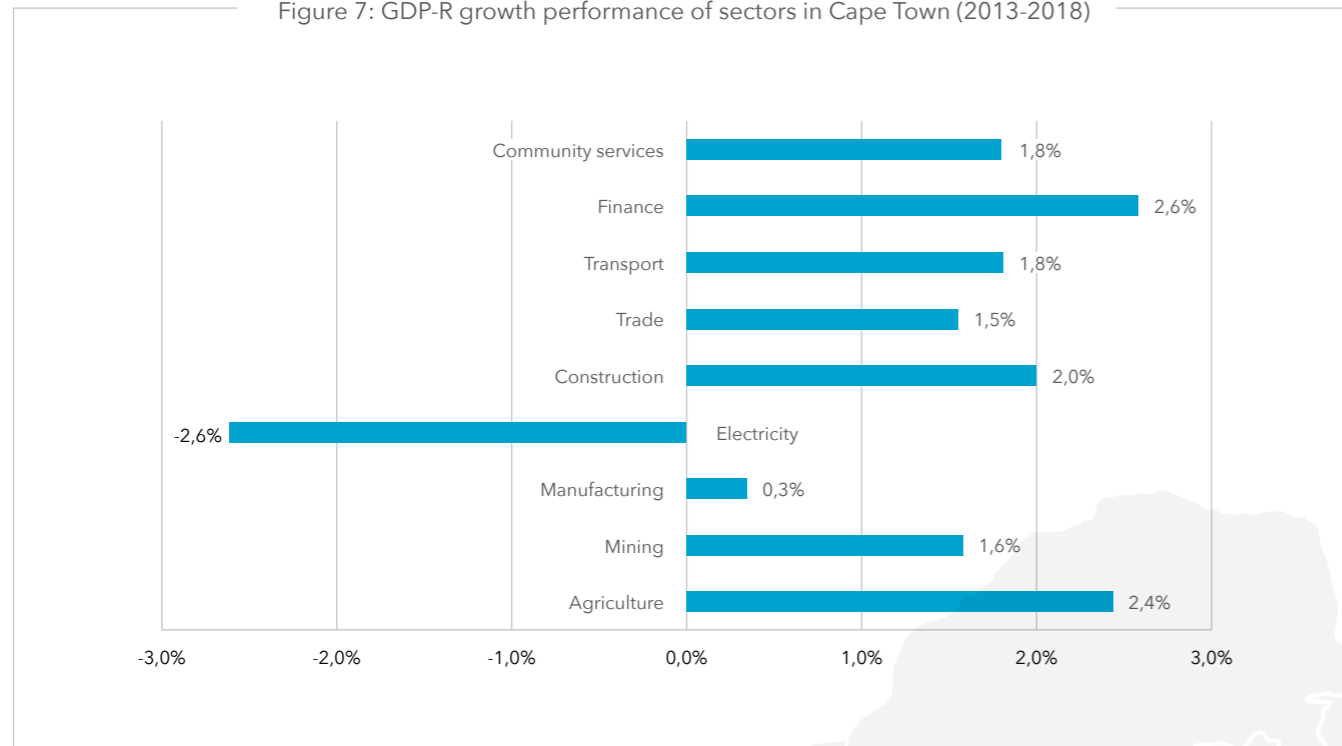
The biggest economic sector, by value, in Cape Town in 2018 was the finance and business services sector, contributing R100,7 billion (35% of GDP-R at constant 2010 prices), while community services contributed R48 billion (17%), and trade contributed R45,7 billion (16%).

SECTOR BREAKDOWN OF GVA FOR CAPE TOWN (2013 - 2018, R millions)							
Broad economic sector	2013	2014	2015	2016	2017	2018	% Share, 2018
Agriculture	2 420	2 572	2 566	2 488	2 761	2 649	1%
Mining	422	449	461	463	462	457	0%
Manufacturing	40 397	40 359	40 204	40 695	40 523	40 718	14%
Electricity	4 026	3 997	3 866	4 303	3 773	3 771	1%
Construction	9 705	10 072	10 338	10 533	10 482	10 376	4%
Trade	42 777	43 598	44 661	45 669	45 423	45 686	16%
Transport	28 999	29 991	30 265	30 681	31 059	31 473	11%
Finance and business services	88 994	91 381	94 175	96 176	98 564	100 749	35%
Community services	44 895	46 177	46 501	46 983	47 380	47 969	17%
Total Industries	262 635	268 599	273 038	277 990	280 427	283 848	100%

Source: IHS Markit, 2019

Strong growth was demonstrated between 2013 and 2018 by the finance and agriculture sectors with average annual growth rates of 2,6% and 2,4%, respectively. Following closely were the construction and community service sectors with average annual growth of 2,0% and 1,8% respectively. The electricity sector below includes generation, distribution, gas manufacture and water collection and distribution which was negatively impacted by the drought.

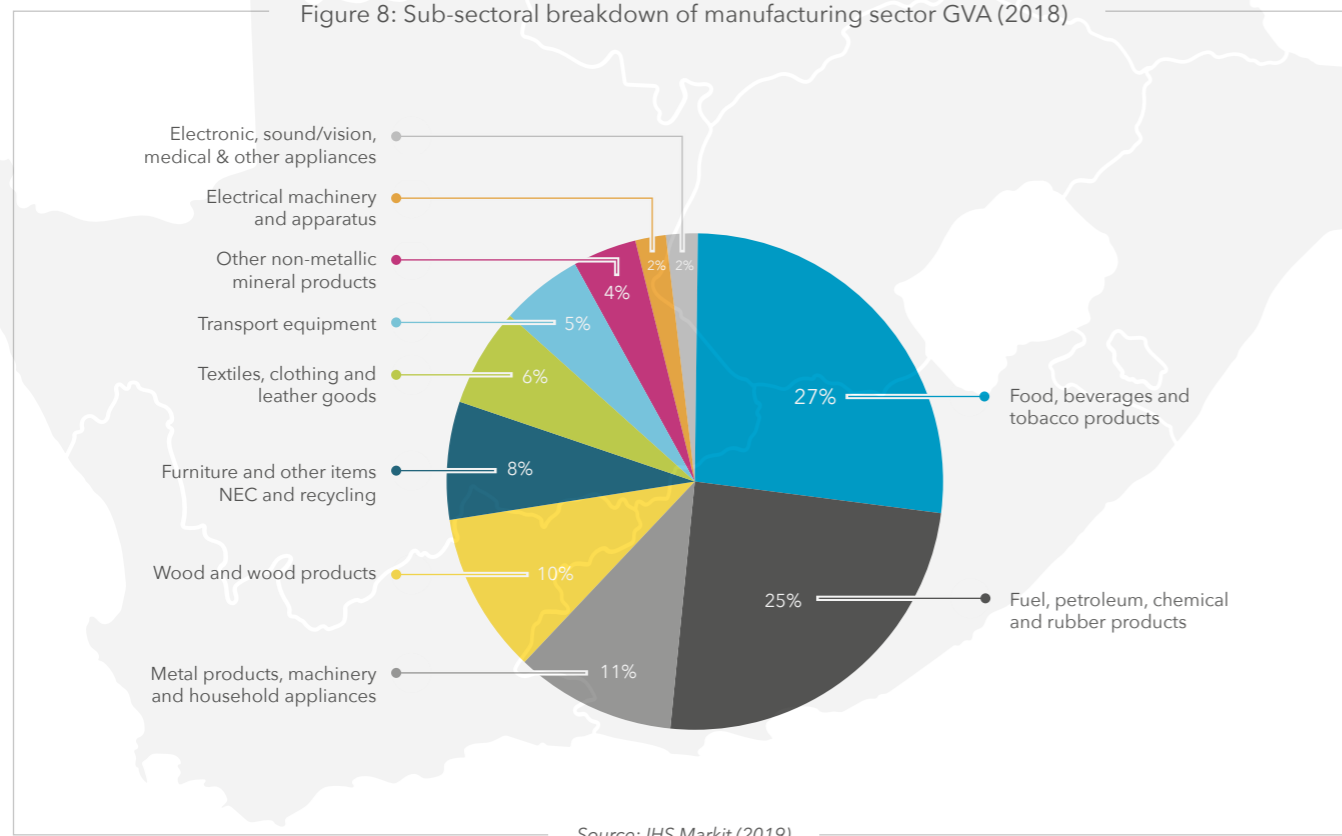
Figure 7: GDP-R growth performance of sectors in Cape Town (2013-2018)



Detailed sectoral breakdowns

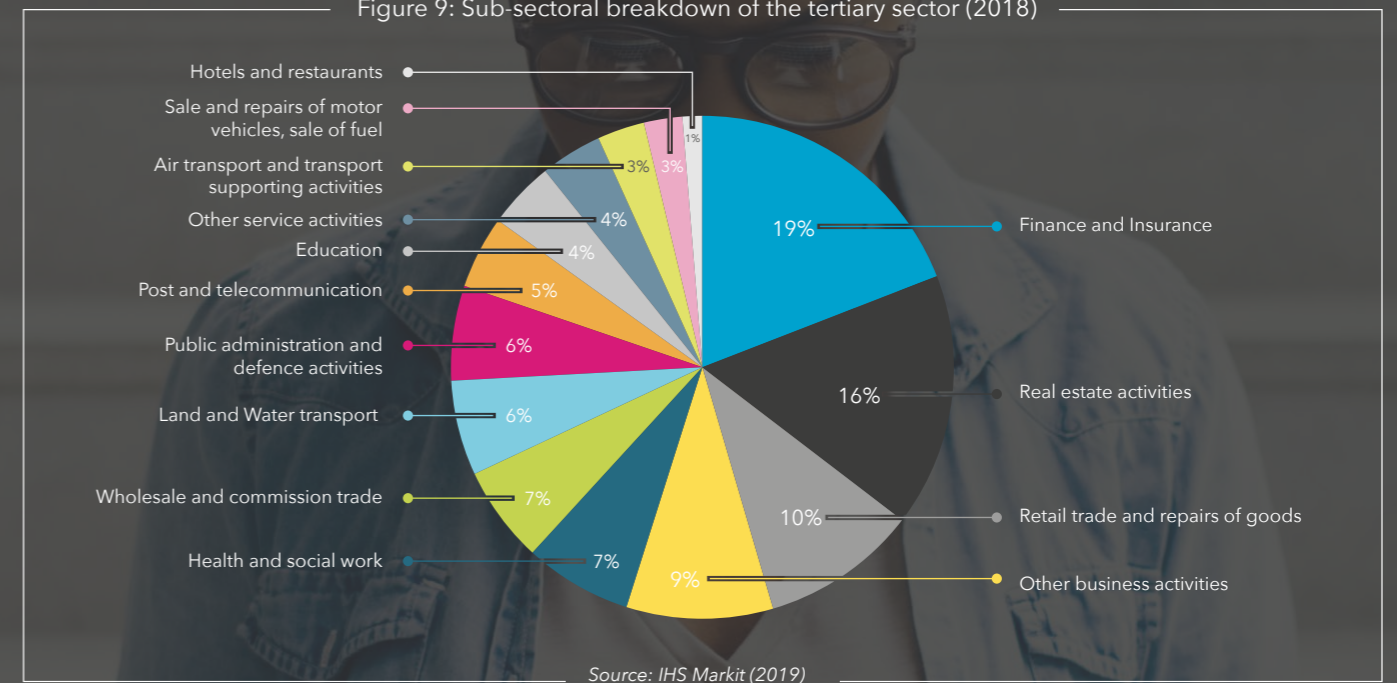
In terms of gross value added, Cape Town's food, beverages and tobacco products (27%) and fuel, petroleum, chemical and rubber products (25%) sub-sectors were the largest contributors to the manufacturing sector.

Figure 8: Sub-sectoral breakdown of manufacturing sector GVA (2018)



The largest sub-sectors of tertiary activities were finance and insurance (19%), real estate activities (16%) and retail trade and repairs of goods (10%).

Figure 9: Sub-sectoral breakdown of the tertiary sector (2018)



3.4 Doing Business

The 2018 Doing Business report found that South Africa ranked 84th globally amongst the 190 countries reviewed (World Bank, 2019). South Africa fared better in terms of paying taxes and protecting minority investors in terms of its distance to the frontier score (DTF)⁴ when measured against China, Tunisia, Botswana and Turkey⁵. South Africa also fared relatively well in the categories of resolving insolvency and getting credit.

Cape Town fared better than other South African metropolitan municipalities in terms of dealing with construction permits and getting electricity.



⁴ The distance to frontier (DTF) score helps assess the absolute level of regulatory performance over time. It measures the distance of each economy to the "frontier," which represents the best performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy's distance to frontier is reflected on a scale from 0 to 100, where 0 represents the lowest performance and 100 represents the frontier.

⁵ These countries were chosen as a comparison to South Africa as they rank close to South Africa's total 2017 DTF score of 65.2. Botswana's DTF score is 65.55; China (64.28 DTF); Tunisia (64.89 DTF) and Turkey (67.19 DTF).

3.5 Trade and Foreign Direct Investment profile

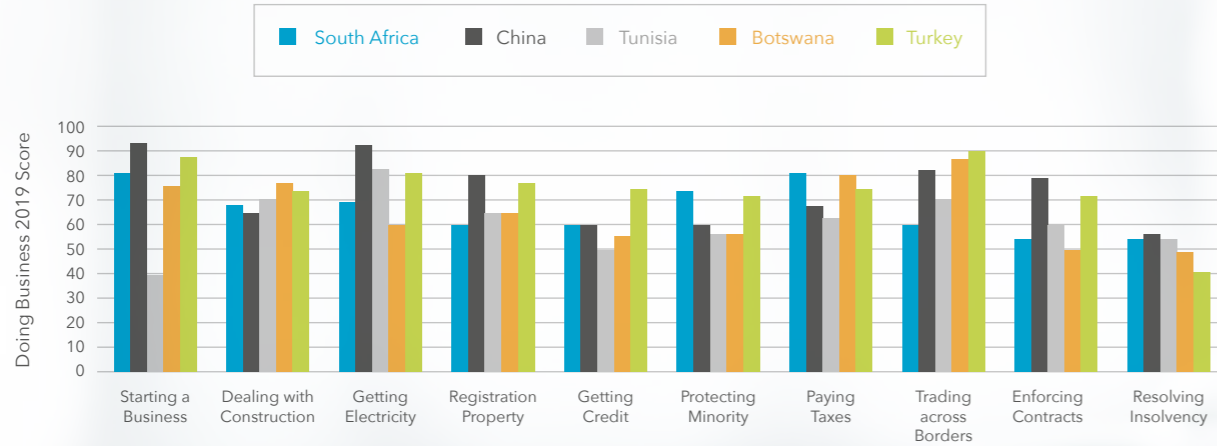
3.5.1 Exports and Imports

Cape Town accounted for 65% of the Western Cape's exports in 2018, with annual rand value growth of 10% between 2008 and 2018.

In 2018, Cape Town accounted for 79% of the Western Cape's imports.

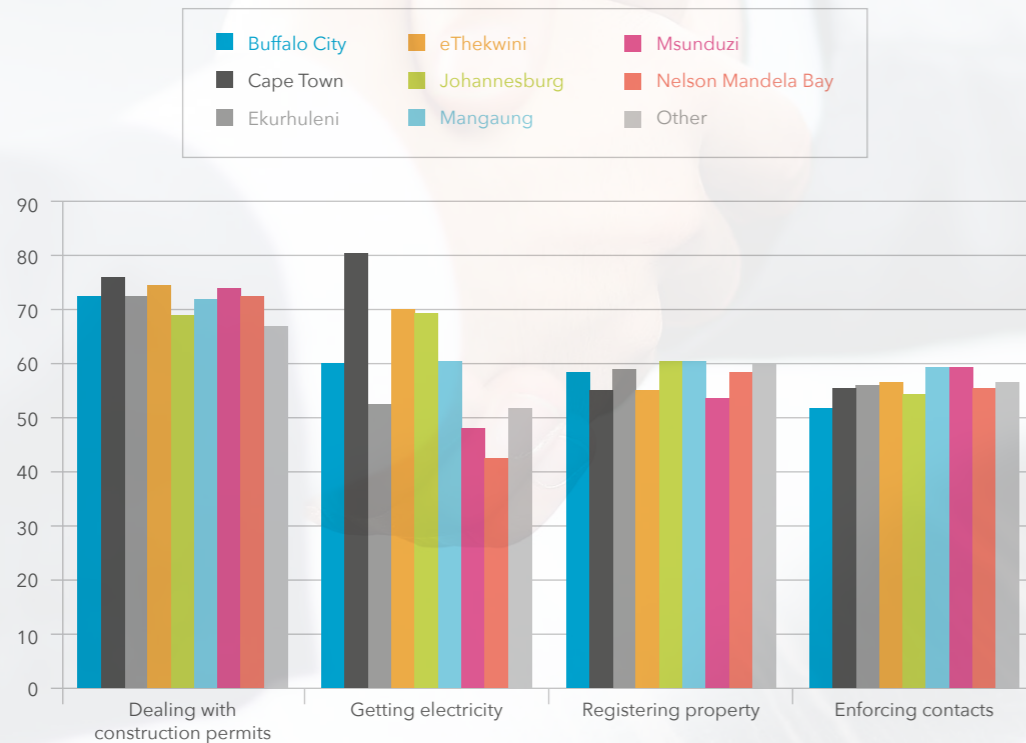
The Southern African Customs Union (SACU) countries make up a key regional trading partner with 23% of Cape Town's exports going to SACU and 3% of Cape Town's imports sourced from the customs union.

Figure 10: South Africa's 'Doing Business' Performance (2018)



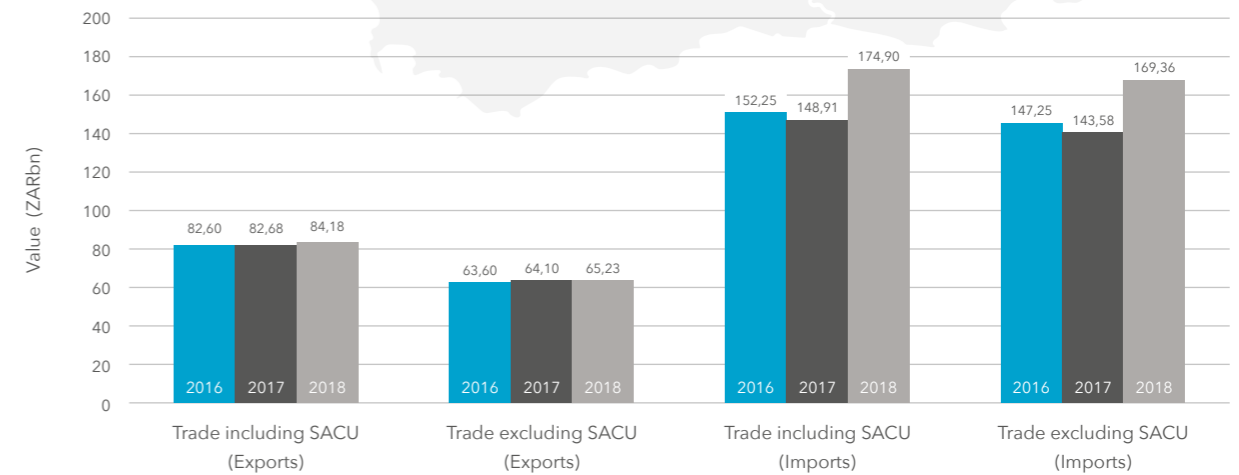
Source: The World Bank (2019)

Figure 11: South African Cities - Doing Business Relative Performance (2018)



Source: The World Bank (2019)

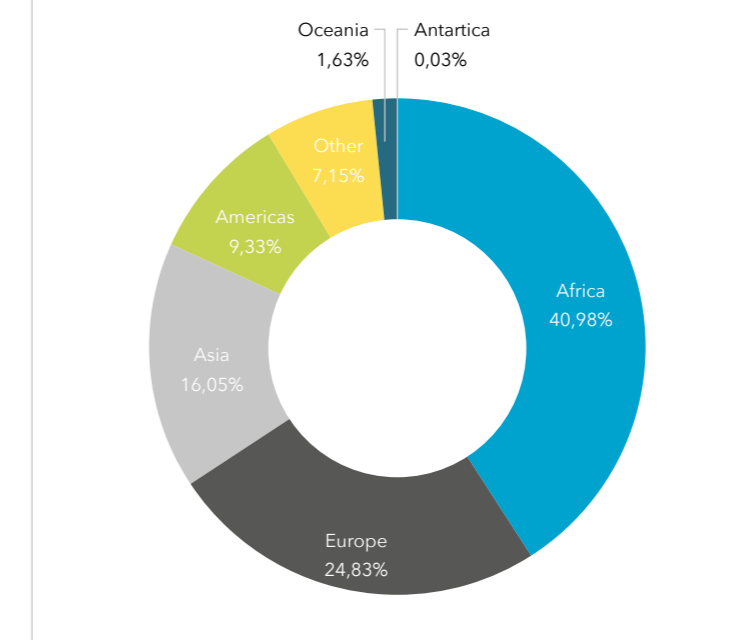
Figure 12: Cape Town Trade (2016-2018)



Source: Quantec (2019)

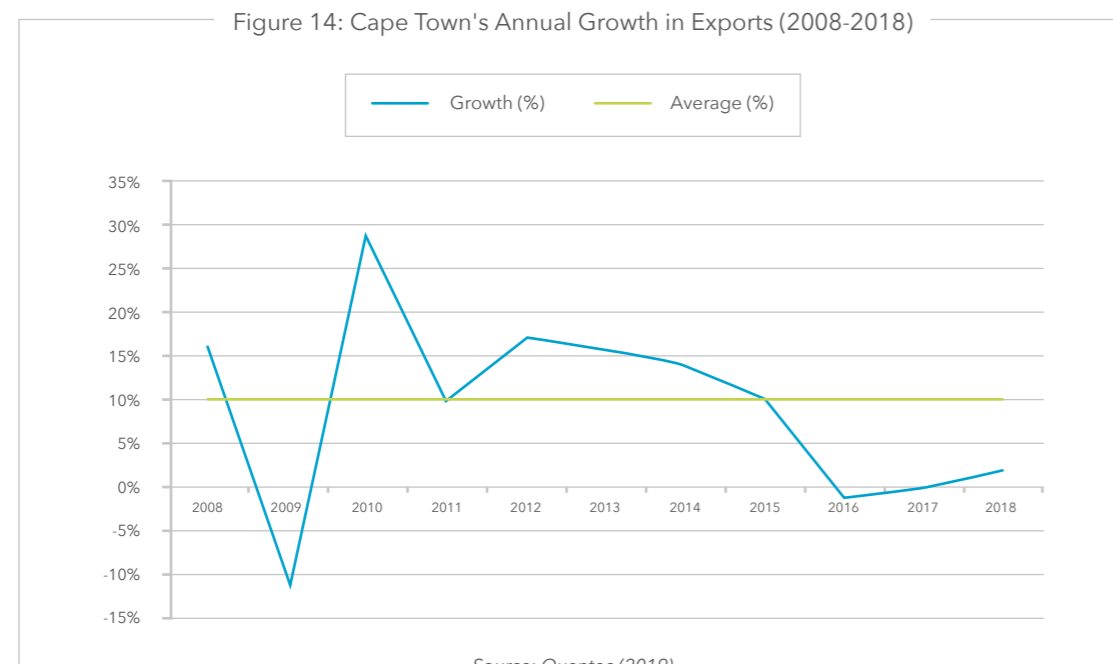
In 2018, Cape Town's major export regions were Africa (41%), Europe (25%) and Asia (16%). In 2018, the top export market destinations for Cape Town were Namibia (R8.76bn), Botswana (R5.99bn) and the United States (R5.70bn).

Figure 13: Cape Town Global Export Regions (2018)



Source: Quantec (2019)

The graph below shows Cape Town's annual export growth over a 10-year period.

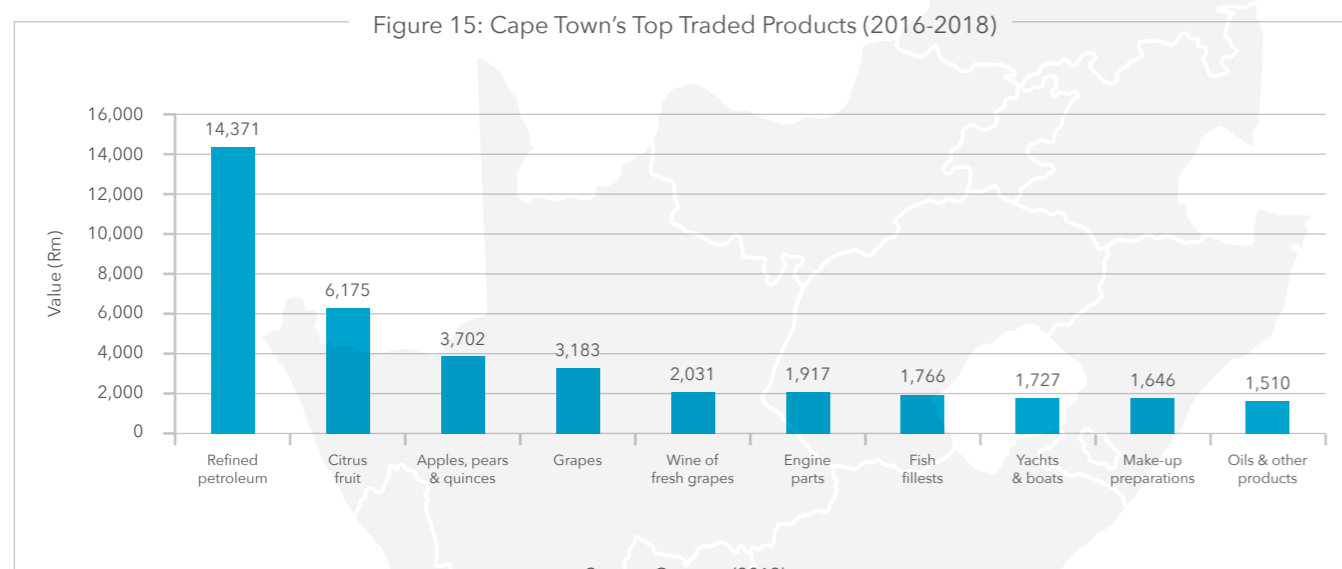


Source: Quantec (2019)

Note: the average growth in exports measured in USD was 4.2% from 2008-2018.

In 2018, refined petroleum was the largest exported product from Cape Town valued at R14,3bn, followed by citrus fruit and apples, pears and quinces valued at R6,2bn and R3.7bn respectively.

Approximately 38% of all exports from Cape Town are from the agriculture and fishing sector.



Source: Quantec (2019)

In 2018, Cape Town exported almost 86% of South Africa's ships, boats and floating structures and 82% of South African tobacco. Cape Town imports 75% of South Africa's fish and crustaceans and 52% of beverages, spirits and vinegar.

KEY COMMODITIES TRADED BY CAPE TOWN AND SOUTH AFRICA, 2018			
TOP 10 EXPORTS (Rm)	CAPE TOWN	SOUTH AFRICA	% OF SOUTH AFRICA
Mineral fuels and mineral oils	16 652	131 518	12.66%
Edible fruit and nuts	14 271	48 734	29.28%
Nuclear reactors, machinery and mechanical appliances	5 634	76 959	7.32%
Fish and crustaceans	5 304	7 150	74.18%
Beverages, spirits and vinegar	2 773	18 836	14.72%
Tobacco and manufactured tobacco substitutes	2 313	2 837	81.52%
Ships, boats and floating structures	2 157	2 508	85.99%
Pearls, precious or semi-precious stones	2 119	219 628	0.96%
Essential oils and resinoids	2 029	8 210	24.72%
Electrical machinery and equipment	1 975	23 883	8.27%
TOP 10 IMPORTS (Rm)	CAPE TOWN	SOUTH AFRICA	% OF SOUTH AFRICA
Mineral fuels and mineral oils	82 076	227 212	36.12%
Nuclear reactors, machinery and mechanical appliances	9 697	152 306	6.37%
Electrical machinery and equipment	6 483	107 701	6.02%
Articles of apparel and clothing accessories, not knitted or crocheted	4 750	13 317	35.67%
Plastics and articles thereof	4 392	35 130	12.50%
Articles of apparel and clothing accessories, knitted or crocheted	4 246	11 117	38.20%
Beverages, spirits and vinegar	4 199	8 058	52.11%
Fish and crustaceans	3 189	4 260	74.86%
Optical, photographic, cinematographic	3 160	29 927	10.56%
Footwear, gaiters and the like; parts of such articles	3 140	12 284	25.56%

Source: Quantec (2019)

Note: products in the table above are categorized according to the Harmonised System with 2 digits

3.5.2 Foreign Direct Investment

Between January 2003 and December 2018, a total of 344 FDI projects were recorded into Cape Town. These projects represent an estimated total capital investment of R110.31billion which is an average investment of R319.4million per project. During the period, an estimated 24 446 jobs were created (FDI Intelligence, 2019).⁶

More than 60 percent of the interviewed companies cited the growth in the domestic market as the top motive for companies investing in Cape Town followed by proximity to markets or customers with 24% and third was the regulatory environment with 17.3% (FDI Intelligence, 2019).

Further, Cape Town has positioned itself to be one of the leading ICT investment destinations in Africa. Between 2003 and December 2018, Cape Town's ICT sector ranked third in terms of capital expenditure in the said sector. According to Team Support CEO Robert C. Johnson, "Cape Town has become one of the leading technology cities in the Southern Hemisphere and it is full of talented individuals with expertise in customer support." (FDI Intelligence, 2019).

⁶ The Financial Times data used to quantify these total figures include estimated project information. In these instances, capex and job creation figures are based on similar projects in the same sub-sector.

Figure 16: FDI inflows to Cape Town, January 2003 - December 2018



Source: FDI Intelligence (2019)

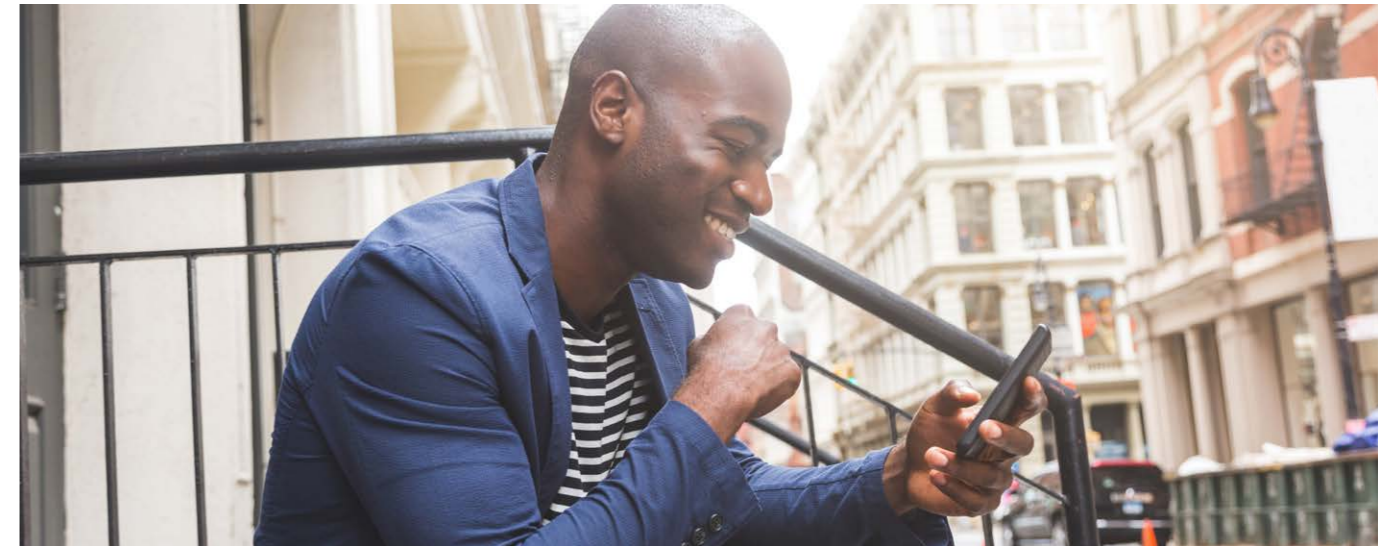
The top source markets for FDI into Cape Town from 2003 to 2018, were as follows:

- United Kingdom (26.4% of projects and 20% of capex).
- United States (23.5% of projects and 28.5% of capex).
- Germany (7.3% of projects and 7.3% of capex).
- China (4.6% of projects and 7.0% of capex)

Selected companies that have invested in Cape Town over the past 10 years include:

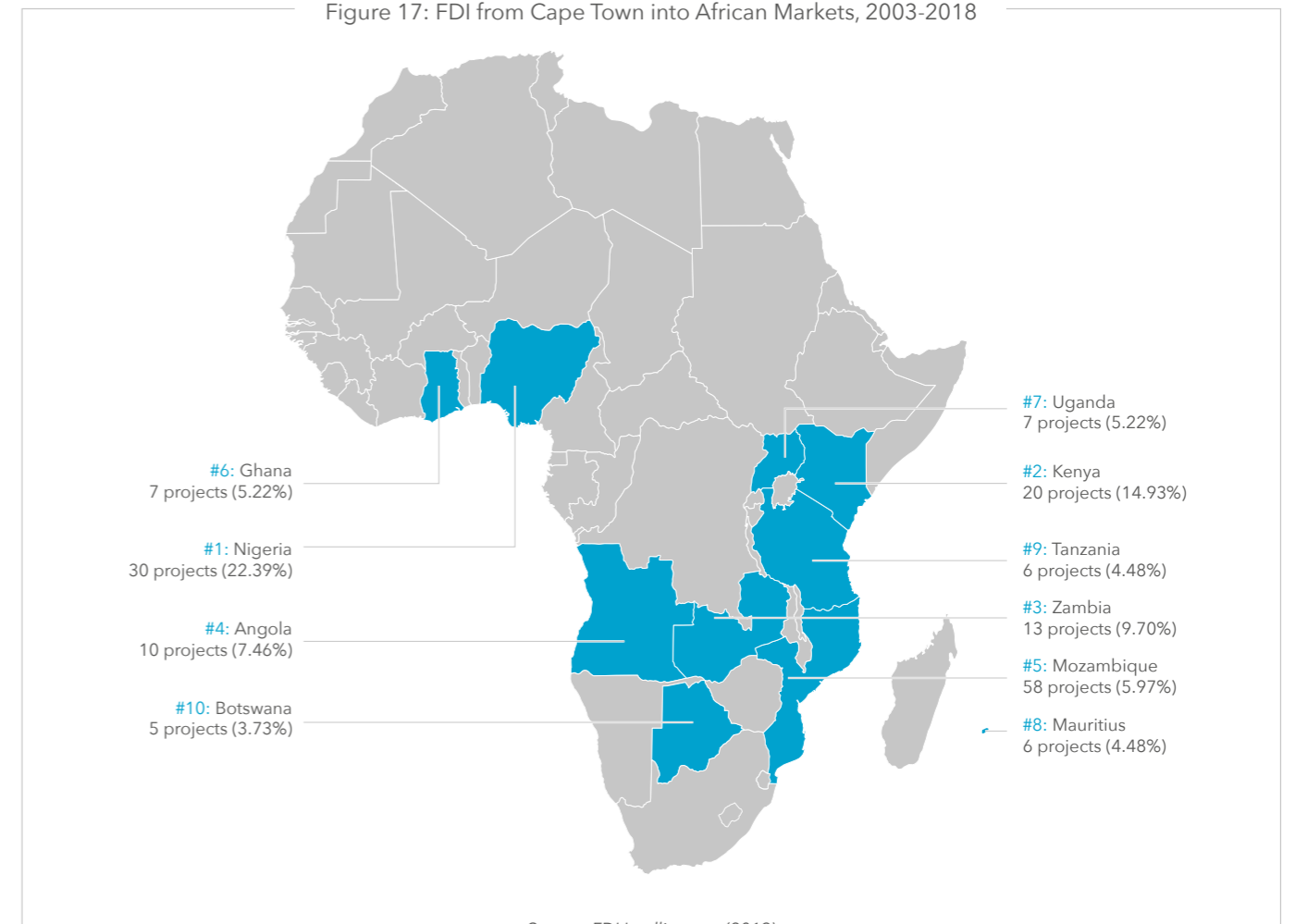
GlaxoSmithKline	GlaxoSmithKline (UK) invested in Epping Industrial into a pharmaceuticals manufacturing project in 2010.
Gestamp	Gestamp Renewable Industries (Spain), the wind industrial division of Gestamp established a new wind tower manufacturing facility in Atlantis in 2012.
Burger King	Burger King (United States) opened a new meat production facility in Elsies River in 2014. The USD4.72m facility was opened through a joint venture with Excellent Meat.
Pegas	Pegas Nonwovens (Luxembourg) invested in a manufacturing site in Atlantis (2017) for the production of synthetic nonwoven textiles.
Capita	Capita (UK) acquired Full Circle to initially set up in the BPO industry in 2012 in Maitland. Capita expanded in 2017, adding 1000 jobs.
Hisense	Hisense (China) opened a mega manufacturing plant in Atlantis in 2013 that expanded in 2017. The plant manufactures FMCG products and mobile devices.
Converse	Converse (United States) invested in a retail store in Canal Walk (Century City) in 2018.
Hurricane Electric	US-based Hurricane Electric, a co-location and web hosting specialist, set up a point of presence in Rondebosch in 2018.
Lufthansa Technik	Lufthansa Technik (Germany) invested in the Aerospace sector in a maintenance & servicing project in 2019.
Huawei Technologies	Huawei Technologies, a provider of retail and marketing services in Platteklouf, and a subsidiary of China-based Huawei, increased its staff members in 2019 by 50% in order to support a growing demand within the ICT sector.

Source: FDI Intelligence, (2019)



The top six destination markets for FDI from Cape Town between 2003 and 2018 were Nigeria, the United Kingdom, Kenya, Zambia, Angola and the United Arab Emirates. African markets made up seven of the top 10 destination markets for FDI from Cape Town between 2003 and 2018. These African markets were Nigeria, Kenya, Zambia, Angola, Mozambique, Ghana, and Uganda.

Figure 17: FDI from Cape Town into African Markets, 2003-2018



Source: FDI Intelligence, (2019)



Cape Town and the Western Cape – A Place of More

We are a region of unlimited potential. And this translates into unlimited opportunity. Whether you're interested in travel, investment, film or exporting, we have something for you.

Our destination is also a resilient one. We work with all levels of government and the private sector to ensure that we meet the needs of industry. As an economic powerhouse on the African continent, Cape Town and the Western Cape boasts a world of opportunities in a variety of sectors.

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3.6 Good governance

The City of Cape Town is one of the first municipal entities in South Africa to have taken several important measures to ensure good governance. In 2019, the City of Cape Town was again rated highly for its sound fiscal position and prudent financial management by the international credit rating agency Moody's, maintaining the highest possible level of credit quality within the national context by obtaining a Baa3/Aaa.za rating, with a stable outlook. These credit ratings by Moody's place Cape Town in the investment grade, where the associated risk of borrowers repaying their debts is fairly low. Moody's decision for its ratings were based on the City's management of the drought crisis and its efforts to avert "Day Zero" with the ratings agency also viewing the development of the City's Draft Water Strategy as favourable (Moody's, 2019).

The City remains the top performing municipality in the country, achieving its 15th consecutive unqualified audit report in the 2017/18 financial year.

3.7 Business Enabling Initiatives

The City of Cape Town is home to several initiatives aimed at expanding its functionality, attractiveness and efficiency as an investment destination.

3.7.1 Catalytic Infrastructure developments

There are various catalytic infrastructure developments happening in Cape Town that include among others, the following:

- The Port of Cape Town terminal expansion and fuel storage facility - to enhance business activity at the Port
- Cape Town International Airport runway expansion and realignment - to accommodate larger aircrafts
- Cape Health Technology Park, dedicated to the health technology industry
- A cruise liner terminal has been developed to the cruise ship industry
- The implementation of the City's Transit Oriented Development (TOD) strategy and the corresponding roll-out of further bus rapid transport routes
- Phase 2 of the roll-out of broadband fibre

3.7.2 City Supported Special Purpose Vehicles (SPVs)

The table below shows the sector SPVs which the City currently supports:

Sector SPV	Industry cluster
Green Cape	Green economy
Cape IT Initiative (CITI) and Bandwidth Barn	ICT sector
Cape Clothing and Textile Cluster (CCTC)	Clothing and textiles
Clotex	Clothing and textiles
Cape Town Fashion Council (CTF)	Fashion, clothing and textiles
Cape Craft and Design Initiative (CCDI)	Craft and design
Business Process Enabling South Africa (BPESA)	Business Process Management/ Outsourcing
Blue Cape	Boat and ship manufacturing sector

3.7.3 Other Business Enabling Features in the City

- Atlantis Green Technology Special Economic Zone
- The Business Hub which guides and connects SMME's to business development services
- Invest SA One Stop Shop
- Cape Town Air Access programme
- Cape Town Cruise

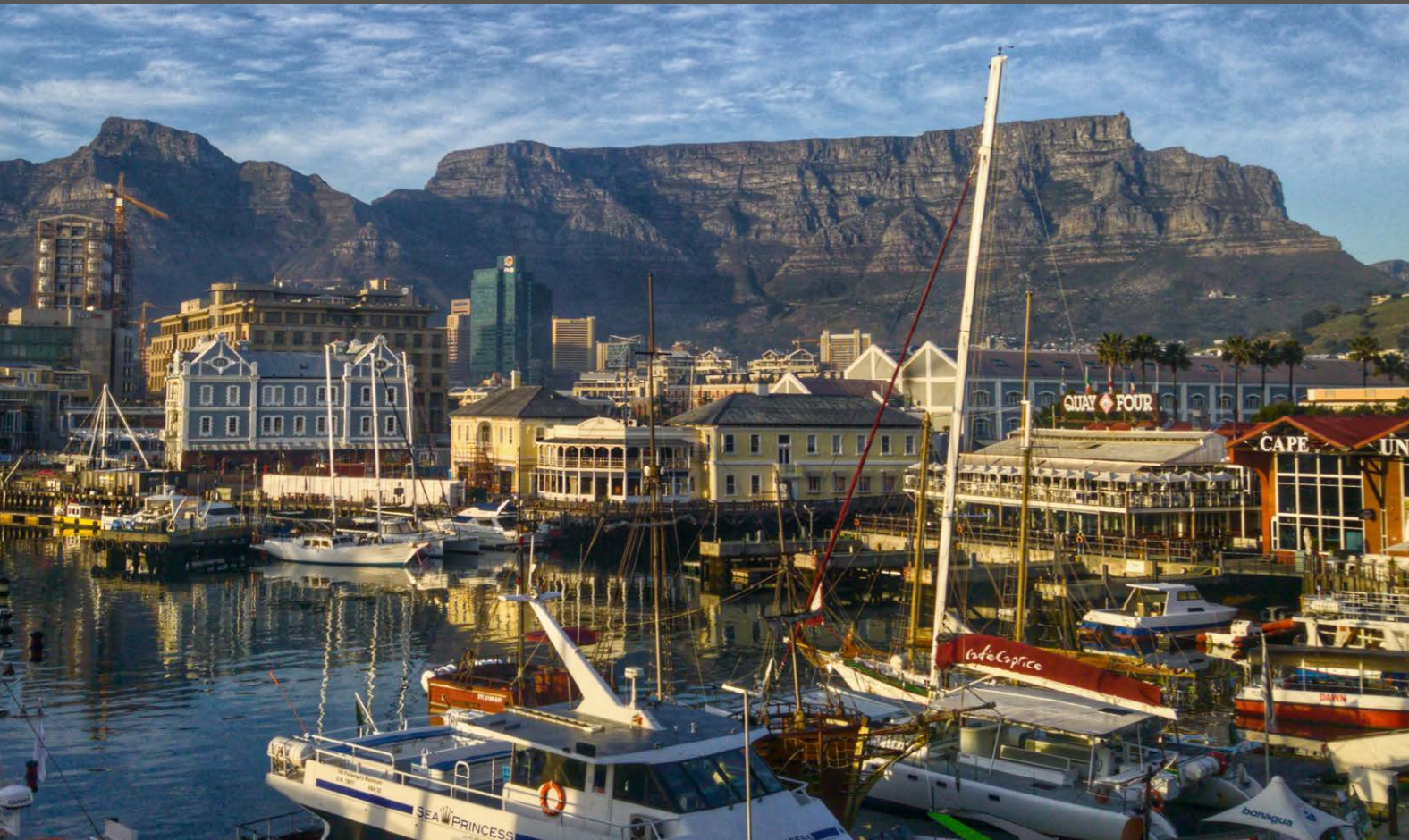
3.8 Boat Building Industry

The Cape Boat Building industry is well established and has a good global reputation, regularly being nominated for, or winning, international awards. The largest number of boats manufactured are luxury recreational catamarans and South Africa is ranked globally as number 2 in the world after France in terms of catamaran units produced. Cape Town-based Robertson and Caine, which is the second-largest sail catamaran manufacturer in the world and the world leader in power catamarans, supplies the world's largest charter boat operation, Tui Marine.

The Western Cape is the largest marine manufacturing centre within South Africa, generating over R2,3 billion in 2018 in exports revenue (Quantec, 2019), and houses approximately 45% of boat builders. Cape Town's boatbuilding exports have grown by ±20,5% year-on-year since 2014 (Quantec, 2019) and exports 80% of its produced items. This has ultimately attracted a positive trade balance of around US\$73m annually.

Since 2014, the boat building industry, including commercial and ocean sports has secured investments worth over R25 billion and created over 4 500 direct jobs and 7 000 indirect jobs.

source: InvestCapeTown website, May 2020



The industry's strengths include:

- Expertise in building sailing catamarans suitable for cruising and charter work
- Good work force
- Strong support value chain
- The South African government, through Operation Phakisa, has earmarked the sector for development
- Local boat builders have internationally recognized design capabilities, a reputation for excellence and quality, with a particular strength in multihull production
- Proximity to developing markets in sub-Saharan Africa
- Cape Town a popular port for international cruising yachts

3.9 Infrastructure and Costs

3.9.1 Transport Infrastructure: Road, Railway, Airport and Port

The City of Cape Town provides a well-connected transport infrastructure system and is prioritizing extensive upgrades and investment in the improvement of public transport systems and transport linkages to increase the economic and social functionality of the city.

Airport

The Cape Town International Airport (CTIA) is a world-class airport, it is the second largest in South Africa and the third largest in Africa. In 2019, the airport was awarded the Best Airport in Africa by Skytrax and retained its rating as the 22nd best airport in the world by Skytrax (Skytrax, 2019). CTIA was also named Africa's Leading Airport by the World Travel Awards (World Travel Awards, 2019). Key infrastructure projects including refurbishment and expansions of terminals as well as new runway realignment are set to be completed in 2023.





Cape Town Air Access is the focal point for international air route development

to the Western Cape Province in South Africa and signifies an impressive collaboration between the Western Cape Provincial Government, the City of Cape Town, Airports Company South Africa, Cape Town Tourism, South African Tourism, Wesgro and private sector partners.

The primary mandate of the air access team is to promote, develop and maintain international air routes in and out of Cape Town International Airport through:

- Route retention (ensuring the success of existing routes),
- Route expansion (increasing frequencies and capacity on existing routes), and
- New route establishment (facilitating the establishment of new routes).

Our contact details:

tel: +27 21 487 8600

e-mail: airaccess@wesgro.co.za

The Cape Town Air Access team has contributed in landing 16 new routes and facilitating 21 route expansions for the Western Cape province in the past four years.

This has resulted in an increase in capacity at Cape Town International Airport of 750,000 inbound seats and has contributed to over R6 billion in tourism spend in the Western Cape alone.

Located approximately 12 miles (20 km) from the city centre of Cape Town, the CPT Airport operates with international and domestic flights. It is the only airport in the Cape Town metropolitan area that offers scheduled passenger services (Cape Town International Airport, 2017). The airport had total passenger traffic of 10.8 million in 2018 (City of Cape Town, 2018).

The airport has domestic and international terminals, connected by a central terminal (Brand South Africa, 2017). Several international airlines offer direct flights to Cape Town, including from London, Amsterdam and Windhoek. All of South Africa's airlines fly to Cape Town, with the route between Cape Town and Johannesburg particularly well served (ibid, 2017).

Air Access

Cape Town Air Access is the focal point for international air route development in the Western Cape and signifies an impressive collaboration between the Western Cape Provincial Government (WCG), the City of Cape Town (CCT), Airports Company South Africa (ACSA), Cape Town Tourism (CTT), South African Tourism (SAT), Wesgro and private sector partners.

The primary mandate of the air access team is to promote, develop and maintain international air routes in and out of Cape Town International Airport through:

- Route retention (ensuring the success of existing routes),
- Route expansion (increasing frequencies and capacity on existing routes), and
- New route establishment (facilitating the establishment of new routes).

3.9.2 Information Technology Infrastructure

Information technology (IT) infrastructure is well established in the City of Cape Town with the City having invested R950.5 million (including phase 1 pilot) on its capital broadband infrastructure at end of July 2017 (estimated to be R1 989 million by 2021). This includes the proof of concept (phase 1) which occurred from 01 July 2009 to 30 June 2014) as part of its broadband infrastructure project. This city owned network increases the City's bandwidth by approximately 3000 times at current connected sites.

The following impact was made by the project to date:

- Over 950 kilometers of fibre-optic cable installed and owned by the City (planned 1 827 kilometers by 2021)
- 475 buildings in total connected on the Metro Area Network (MAN)
- Free Wi-Fi installed at 715 access points at 225 locations
- 30 MyCiTi stations connected (three depots, 27 stations)
- 10 MyCiTi buses connected with free high-speed Wi-Fi
- 135 Metro Police cameras connected in (Athlone, Manenberg, Bellville, Francie van Zijl, Parow, Hans Strijdom, Robert Sobukwe, Silverton and Wynberg)

The resultant financial benefits are already evident in that a cost saving of R418 million was made by the City installing its own broadband links. Further, R307 million in costs were saved by cancelling rented broadband links and R58.4 million in revenue was generated through the leasing of spare capacity in the City's lines to commercial operators. This constitutes a Return on Investment of 63%.

This improvement of IT infrastructure, can be used to catalyse the development of the rapidly growing ICT sector in the city, as well as helping to support entrepreneurial growth through providing citizens with increased access to the internet.

In 2018, the City signed an agreement with Cell C to provide public connectivity using street light poles, city building and public transport infrastructure to ensure better connectivity across the city (CCID, 2019). In 2019, Cape Town was the only African city to make it on to Savills Tech Cities Index, making Cape Town Africa's leading digital city (Savills, 2019). This success is driven by the presence of widely available information and communication technology (ICT) skills and an entrepreneurial culture in this city (CCID, 2019).

3.9.3 Electricity and Water

Extensive investment in electricity infrastructure across the country is apparent, whereby a large proportion of the focus is on renewables. Although electricity costs in South Africa are increasing with Eskom granted approval to raise its prices by 25% over the next three years, the country still retains a relatively low position in terms of global electricity pricing.

GLOBAL ELECTRICITY PRICES, 2018

Country	US dollar per kWh
Germany	0,33
Belgium	0,28
Italy	0,27
Portugal	0,26
Spain	0,24
United Kingdom	0,22
France	0,19
United States	0,13
South Africa	0,09

Source: Business Tech, 2019

Cape Town's energy supply is mostly provided by the national grid, with energy demands set at approximately 2 400MW. Two thirds of residents are serviced by the City, with the remaining 25% served by Eskom. A large proportion of Cape Town's electricity is supplied by Koeberg power station, a nuclear power station located approximately 36km north of the city centre. There are plans to diversify the forms of energy provision to Cape Town and initiatives have arisen which will enhance the use of renewable energy (through the Atlantis Green Technology Special Economic Zone) to take advantage of the growing oil and gas opportunities.

COMPARISON OF ELECTRICITY USE AND ACCESS IN SOUTH AFRICAN CITIES, 2016

Comparative Cities	2018 Medium to Large power users Average Energy Charge (R cents/kilowatt hour) excluding Value Added Tax (VAT) and excluding service charges	2018 Household access to electricity for lighting (population %)	Average Annual Growth in the number of households accessing electricity for lighting, 2014 - 2018
Cape Town	90,57	94%	2,8%
Johannesburg	124,62	91%	3,5%
Tshwane (Pretoria)	96,48	88%	3,3%
eThekweni (Durban)	79,59	90%	2,5%

Sources: City of Cape Town, 2019; City of Johannesburg, 2019; eThekweni Municipality, 2019; Quantec, 2019

Cape Town's potable water is amongst the best in the country, scoring 96% for the quality of drinking water according to the Blue Drop Water Certification assessment. Water is derived from six catchment dams which are largely extracted from mountain catchments and treated in 20 water treatment plants. The City's Water and Sanitation Department has received numerous awards including the Platinum Award for excelling in the Blue Drop Awards Programme, and certificates of excellence from the Water Institute of South Africa.

The City is also endeavouring to become a more sustainable consumer of water and is, simultaneously, exploring a number of alternative options to supplement the City's existing water supply sources. Additionally, the City adopted a Water Strategy that will ensure that Cape Town will be more resilient to future droughts and also outlines plans for permanent desalination plants and utilisation of groundwater.



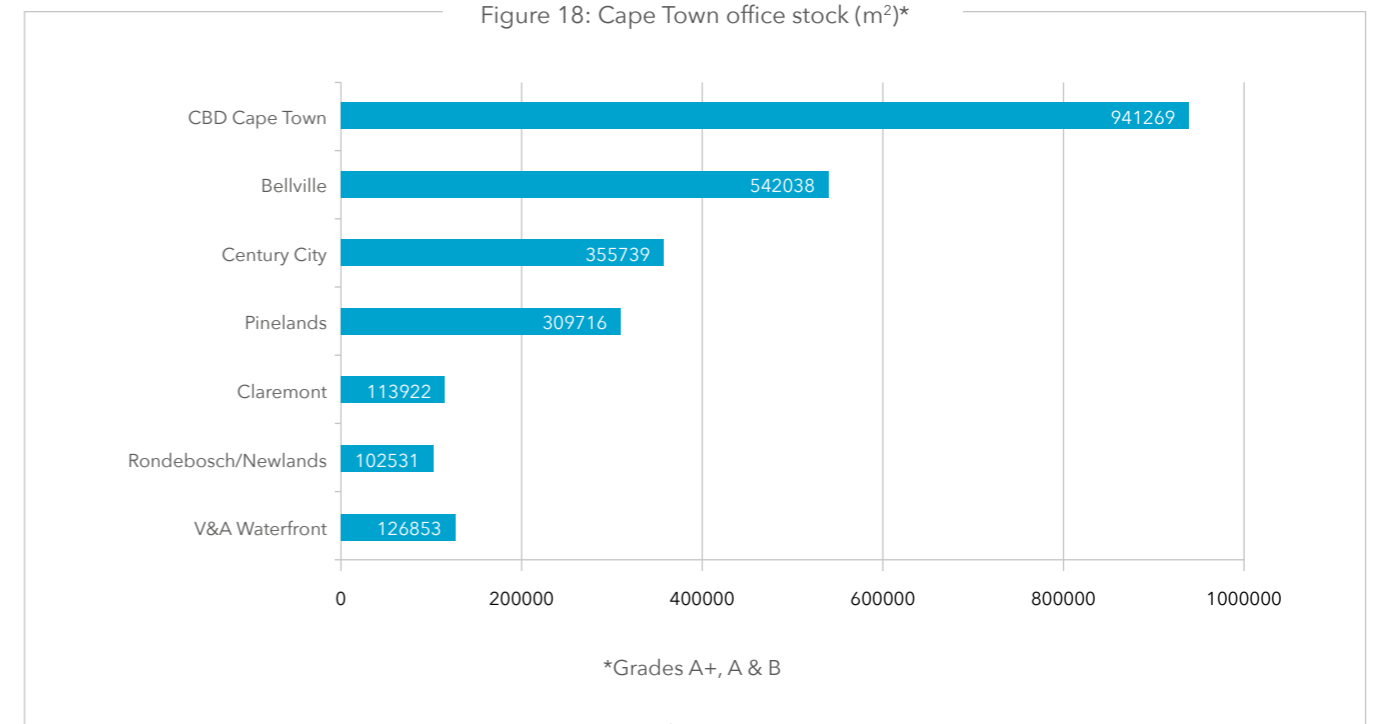
3.9.4 Prime Office Space and Industrial Space

Cape Town has evolved into a world-class business destination offering a quality and modern environment for business and innovation. The total current value of property in the Central Business District (CBD) amounts to more than R43 billion (Cape Town Central City Improvement District, 2019) and is set to increase. 2018 saw the completion of approximately 52,600m² of large-scale buildings, including the construction of a new office block for KPMG in the CBD (16,000 m²) and Waterway House at the V&A Waterfront (15,000 m²) (Jones Lang Lasalle, 2018). Other new developments constructed in 2018 include Sable Park in Century City (16,000 m²) and Springfield Office Park (5,600 m²) (Baker street properties, 2018).

Cape Town's office vacancies within the CBD have remained stable relative to 2017, at 7,3% in December 2018. In 2018, Cape Town retained the lowest vacancy rate among the five largest metropolitan municipalities, while eThekweni, the City of Johannesburg, Nelson Mandela Bay, and the City of Tshwane CBD's recorded vacancy rates of 13,9%; 12,3%, 11,2% and 8,9%, respectively (SAPOA, 2018:9). The majority of offices within the CBD consist of AAA, A, and B-grade office space, marking the CBD one of the most dynamic and sought-after locations for office rentals (Rode Report, 2018:45).

Fast growing office locations in the City include the CBD, Bellville and Century City. Century City houses some of the most modern and exciting office space which is centered on "green" building and innovative design. Similarly, Claremont, an upmarket suburb, is a prominent node for offices and businesses, with a large presence of smaller businesses in the specialist sectors.

Figure 18: Cape Town office stock (m²)*



Source: Rode (pp. 57) (2019)

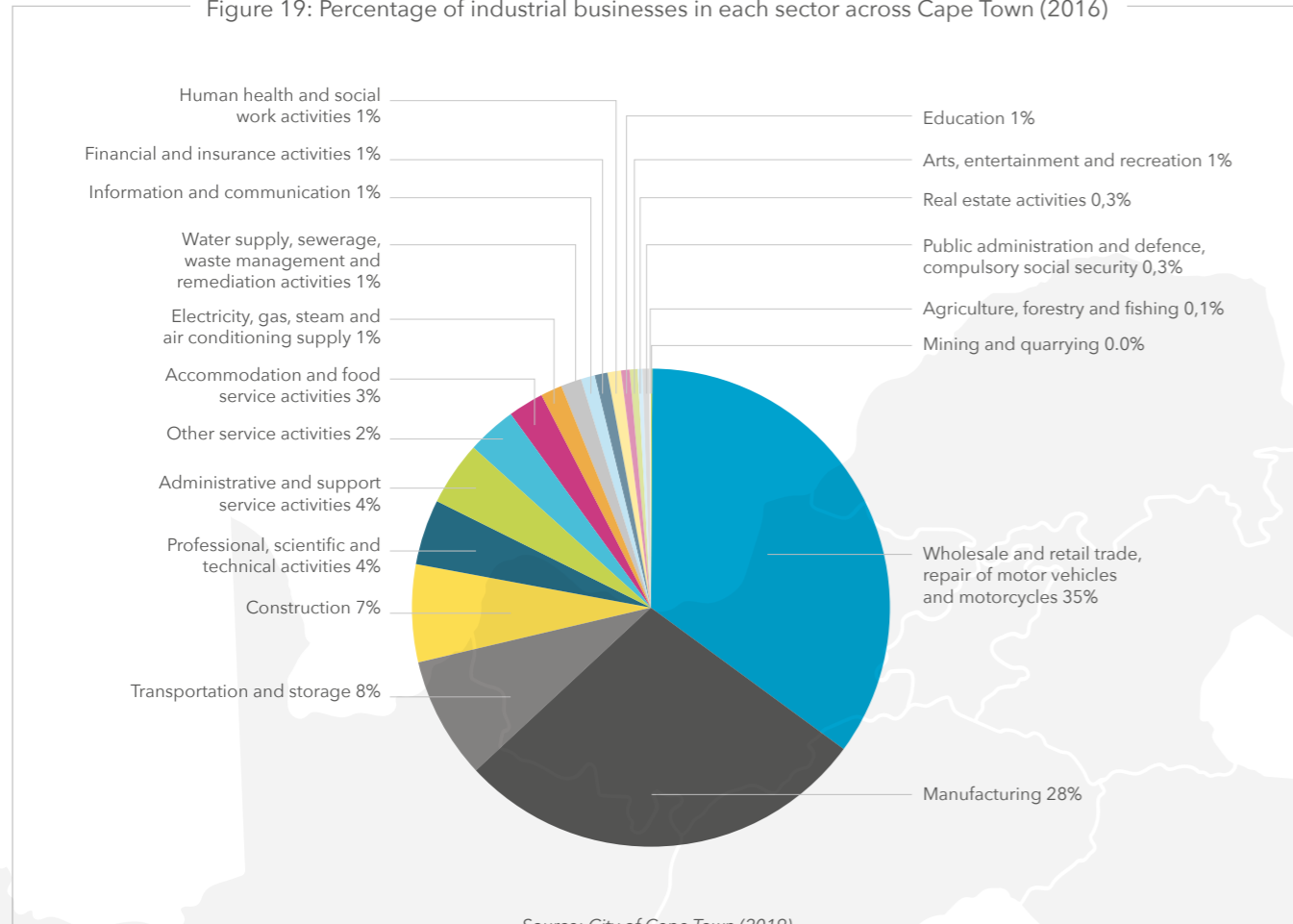
Key Office Market Indicators	2018
Prime Gross Rent (ZAR/m ² pm)	205
Prime Yield (%)	8,8
Cape Town Vacancies (%)	7
Total Gross Leasable Area (GLA) ('000m ²)	2 607

Sources: Rode, 2019 (page 53) and JLL, 2019

3.9.5 Industrial Land

The city plays host to a number of industrial activities in different areas including the Atlantis zoned industrial area which has been delineated a key development node offering an expanse of 1,000 hectares of land. This includes a zone for noxious industry as well as an identified hub for manufacturing green technologies (Atlantis Green Technology Special Economic Zone).

Figure 19: Percentage of industrial businesses in each sector across Cape Town (2016)

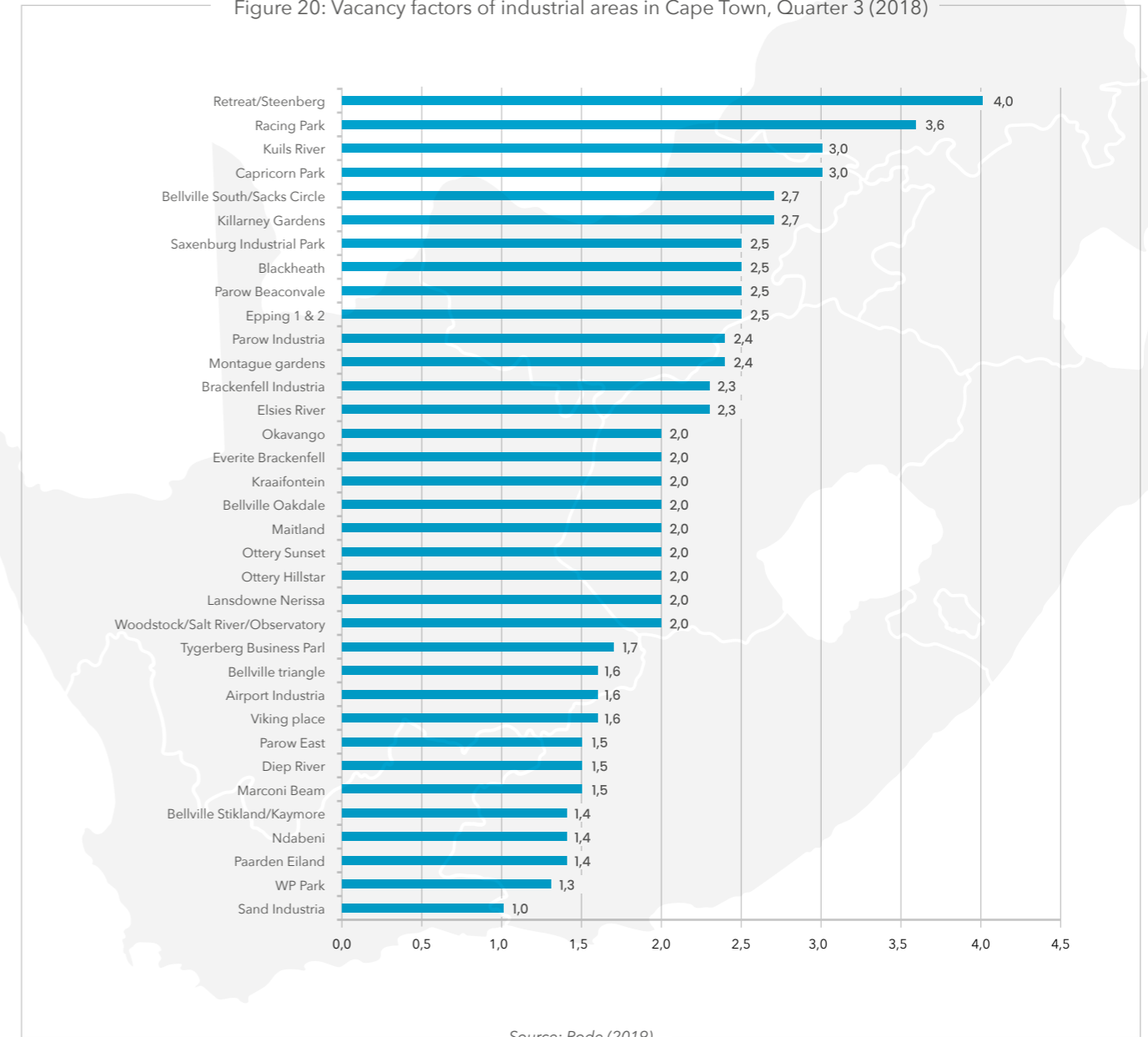


The graph above depicts the split of industrial businesses by sector within the industrial areas in Cape Town. Businesses specialising in the wholesale and retail trade sector are predominant in industrial areas (36%), while the manufacturing sector closely follows at 28%.

Land parcels within the industrial area boundaries that are not economically active either consist of vacant land, vacant buildings, road reserves or wetlands. The vacant land within the industrial area boundaries amounts to 459 land parcels whereas the vacant building amounts to only 114 land parcels.

In addition to Atlantis, key industrial areas include Epping, Montague Gardens, Ndabeni, Paarden Island and Airport Industria, as well as other outlying areas along the N2, N1 and R300 highways. According to Rode (2017), the Cape Peninsula has relatively low vacancy factors⁷ in its industrial areas (Figure 19), suggesting a promising return on industrial property rentals (Rode, 2018: 4). A number of City incentive schemes for the growth of industry operations are available, as outlined in Section 8.

Figure 20: Vacancy factors of industrial areas in Cape Town, Quarter 3 (2018)



⁷ These industrial vacancy factors are not to be interpreted as actual vacancy percentages which indicate the floor area available for leasing at any given time, but rather as graduations on a 0-9 vacancy scale, where 0 equates to no vacancy and 9 equates to substantial vacancy. These factors are for all unit sizes (250 m², 500 m², 1.000 m², 2.500 m² and 5.000 m²) combined, as surveyed by Rode. Vacancies could however, differ across the different-sized units (Rode, 2017: 59).

3.10 Cape Town Accolades

Cape Town is undoubtedly one of the most internationally recognised cities.

A variety of activities are within a 20-minute drive from the CBD including hiking, beaches, internationally acclaimed restaurants and bars, vineyards and wine tasting, national reserves, and cultural landmarks such as Robben Island and Table Mountain, a 7th Wonder of Nature.

Cape Town receives regular accolades which are related to lifestyle, opportunities, service offerings and overall living standards. Year after year Cape Town continues to receive accolades for being a destination of choice, these include amongst others:

- In December 2019, Cape Town was recognised as one the Top 10 Long-Haul City Break for UK Travellers;
- In the same month Cape Town was listed in the Top Ten Global List of Best Places to Celebrate New Year's;
- In November 2019, Cape Town was voted the Best City in the World in the Telegraph Travel Awards for seven consecutive years;
- In October 2019, Cape Town International Airport was named Africa's Leading Airport - World Travel Awards;
- In the same month, Cape Town was named Africa's Leading Festival & Events Destination - World Travel Awards;
- Table Mountain was also named Africa's Leading Tourist Destination - World Travel Awards;
- In August 2019, Cape Town voted as one of the World's Friendliest Cities - Big 7 Travel;
- In July 2019, Cape Town Scored Top Ten Spot In Global Bucket List of Places To Visit - Big 7 Travel;
- Cape Town was named Best African & Middle Eastern City in Travel + Leisure World's Best Awards - Travel + Leisure;
- In 2019 the Cape Town International Airport was voted Best in Africa in 2019 - Skytrax World Airport;
- Cape Town was the first African city to ever to win the UNESCO City of Design Award;
- According to Savills Tech Cities Cape Town was rated as one of the top 30 tech cities on the planet
- Western Cape was voted Golf Destination of the Year in 2017, Africa and Gulf States - IAGTO - International Association of Golf Tour Operators;
- Cape Town ranked number 8 on Top 50 Bucket list destinations in the world - Big 7 Travel, 2019;
- Blouberg Strand (Cape Town) ranked (number 1) as the most Instagrammable location in South Africa.
- Two Oceans Aquarium was recognized as the Most Responsible Tourism attraction in Africa - 2019, Responsible Tourism Awards Africa;
- Zeitz Mocaa - outstanding contribution to the Promotion and Preservation of Contemporary Arts from Africa - 2019 Cultural Affairs;
- Zeitz Mocaa - 5 Art and Design Destinations for 2019 on Culture Trip Wish List -2019 Culture Trip and
- Cape Town was voted Best African Business Tourism Event Destination in 2018 - International Congress and Convention Association, ICCA, 2018.

The private health sector is world-class and offers leading teaching hospitals.

There are numerous public and private top schools including international German, Italian and French schools. Top tertiary education institutions are available within the city and host a vast number of international students.



4 SECTORAL POCKETS OF EXCELLENCE

4.1 Business Services

The business service sector, including Business Process Outsourcing (BPO) and Information Technology (IT), has been the largest contributor to employment growth in Cape Town over the last 10 years.

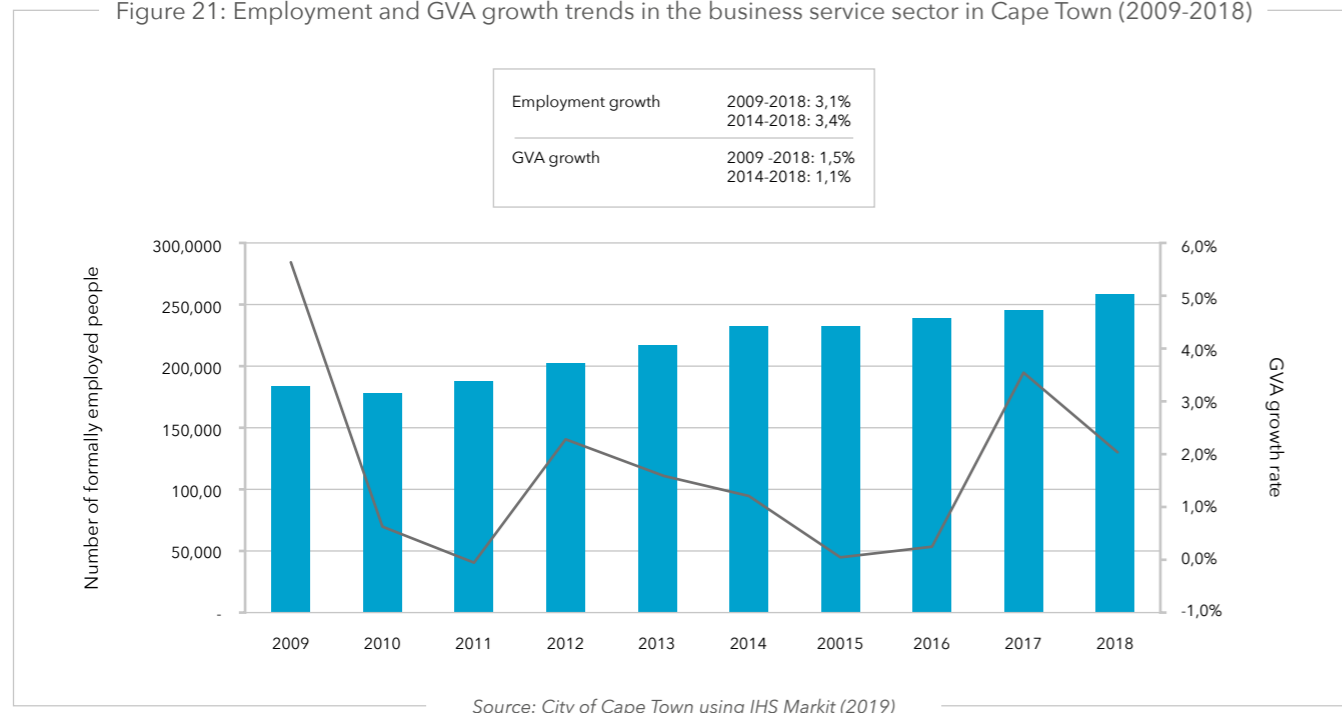
The City has attracted a number of foreign companies into its business services sector, with 111 investment projects being funded from 2009 to 2018. The top two business services subsectors attracting FDI during this time were professional services (23 projects) and creative industries (17 projects) (FDI Intelligence, 2018).

Gross Value Added (GVA) / share of Cape Town GVA	R 21 008 million / 7,04%
Location quotient ⁸	0,99
Ten-year Foreign Direct Investment (FDI) value	R10 618 million
Ten-year GVA Growth contribution (2009-2018)	1,5%
Formal employment	257 392
Contribution to employment creation in Cape Town between 2009-2018 (%)	37,51%

Sources: IHS Markit (2019), FDI Intelligence (2019)

⁸ This indicator provides an indication of Cape Town's comparative advantages as compared to the rest of South Africa's metropolitan municipalities. A location quotient value of greater than one indicates that a sector has a comparative advantage.

Figure 21: Employment and GVA growth trends in the business service sector in Cape Town (2009-2018)



4.1.1 Business Process Outsourcing

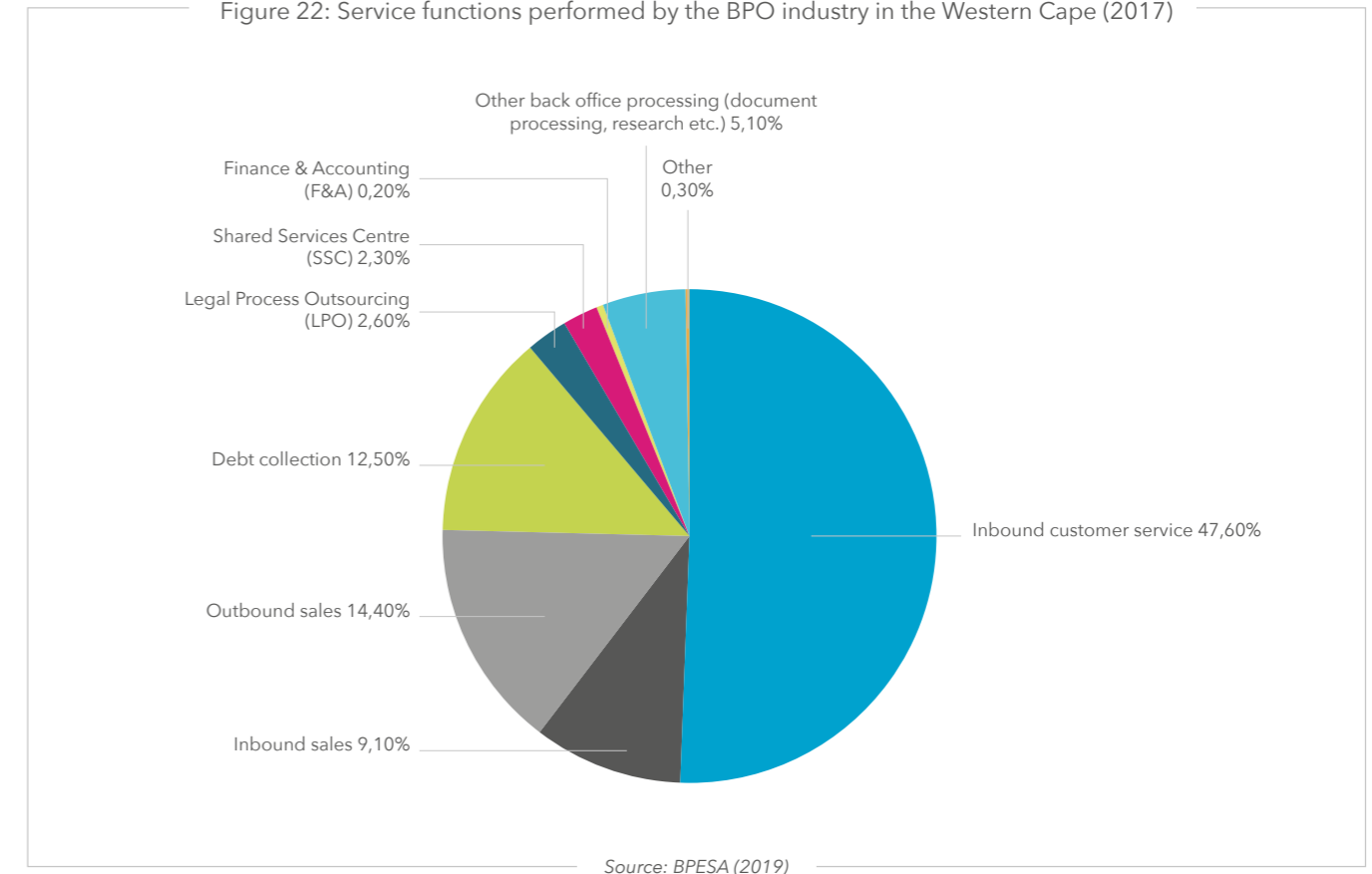
In 2018, South Africa was once again named Global Destination of the Year at the Global Sourcing Association (GSA) awards in Cape Town (Business Process Enabling South Africa (BPESA). South Africa also received the National Outsourcing Association's (NOA) Offshoring Destination of the year award in 2017, the NOA's Skills Development Project of the Year award in 2014, and the European Outsourcing Association's (EOA) Offshoring Destination of the year award in 2013.

The South African government has identified Business Process Outsourcing (BPO)/contact centres as a key sector for job creation for the large population of unemployed South African youth. In 2017, the Western Cape BPO industry contributed 54,864 jobs to the total BPO industry in the country, 31,364 of which were domestic and 23,500 of which were offshore. In the same year, the Western Cape BPO Industry was dominated by the telecoms (20,7%) and retail (25,9%) industries (BPESA, 2018). Of the industry's operations in the Western Cape, 49.7% are of an outsourcer nature and 50.3% are captive. The predominant markets it serviced in 2017 were the United Kingdom and Australia. In 2017, inbound customer services and inbound sales dominated (BPESA, 2018).

Cape Town plays host to the majority of the Western Cape's BPO industry companies. The City is particularly viewed as an offshore outsourcing hub, having won two awards in the 2017 Offshoring Destination of the Year Awards. Its popularity as a BPO business destination has grown steadily with time.



Figure 22: Service functions performed by the BPO industry in the Western Cape (2017)



BPO Operators with a presence in the Western Cape

Merchants	BYC	Webhelp	Cognia Law
Capita	SimplyTalk	WNS	Odity
Amazon	ComputaCenter	Lufthansa in Touch	Ambition 24 Hour Group
MPC Connect	Mango5 Call Centre	Teleperformance South Africa	JTC Group
CallForce	Exigent	DigiOutsource	EXL Shared Services
Collinsons Group	Sigma	IHS	Pixelfaerie
DCX Technology	Mindpearl	AskOsca	

Source: BPESA, 2019



Competitive advantages of Cape Town as a BPO business location

Cape Town presents a number of opportunities and advantages as a BPO businesses location, including:

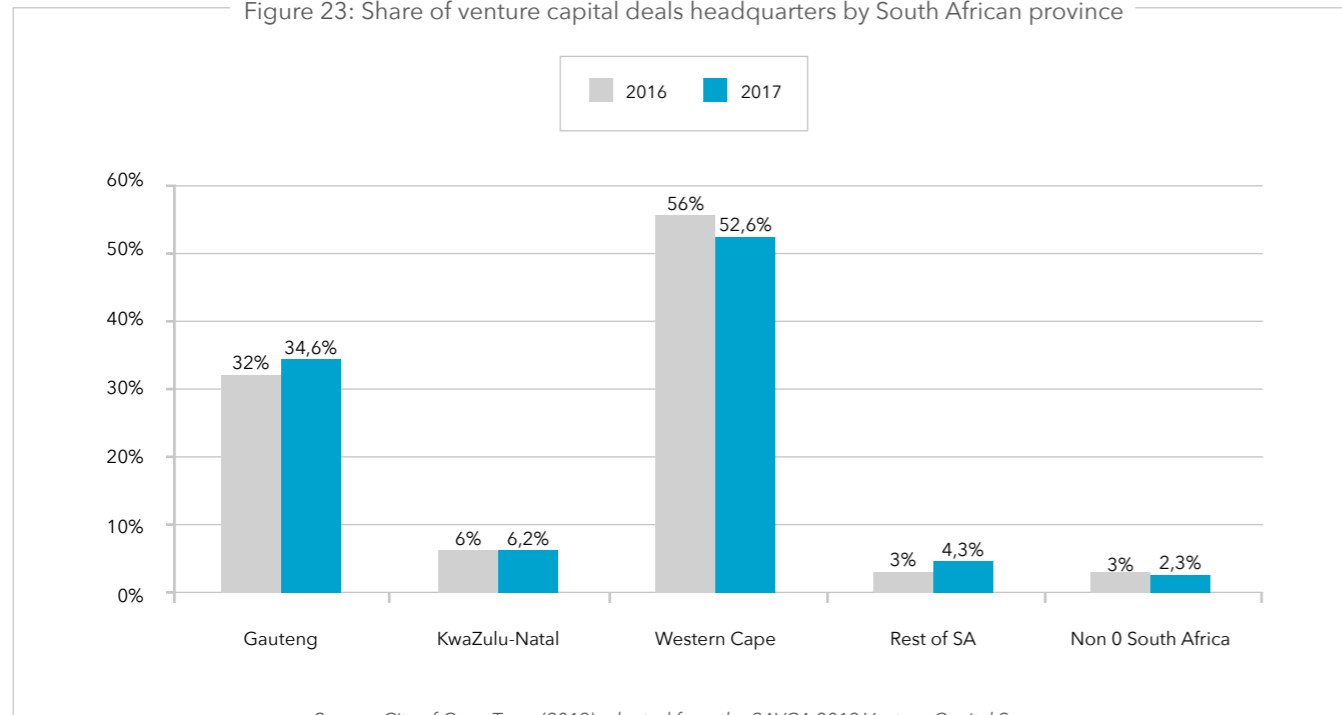
- Cape Town has a rich talent pool with a predominantly English-speaking workforce which are able to engage with international clients.
- Cape Town is in the same time zone as Europe, ensuring that working hours overlap.
- The City's natural appeal, with its beaches and mountains provides for a quality enhanced lifestyle, a big draw card for very mobile BPM investors when considering a business location.
- There are strong data protection laws and standards in South Africa, similar to those in Europe, which gives prospective businesses information security.
- There is good availability of quality technology services.
- Cape Town has a relatively low cost of doing business, compared to other cities.
- There is relatively good air connectivity (compared to other low cost destinations).
- An added advantage is the closely knitted integrated public transport system.
- Complementary and supporting industries like the Finance and ICT industries are strong in Cape Town.

4.1.2 Information Communication Technology

Cape Town is the leading location in the country for technology start-ups and venture capital deals (Price Waterhouse Coopers (PWC)), South African Venture Capital and Private Equity Association (SAVCA, 2015). The City has also been a technology leader in the domains of mobile software, revenue management and payment processes. The value of FDI over the last 10 years in the Software & IT services is R5 324 million (15,7% of total FDI into Cape Town over that period).

According to PWC (2018) 58% of the 742 emerging tech or tech-enabled companies they surveyed as part of their 2015 study, were headquartered in the Western Cape, of which the majority can be assumed to be based in Cape Town. The 2018 Ventureburn Survey (2018) found that 37% of start-ups are based in the Western Cape. The favourable conditions for tech startups in the Western Cape and Cape Town is also reflected in the fact that 52,6% of venture capital deals in 2017 were headquartered in the Province.

Figure 23: Share of venture capital deals headquarters by South African province

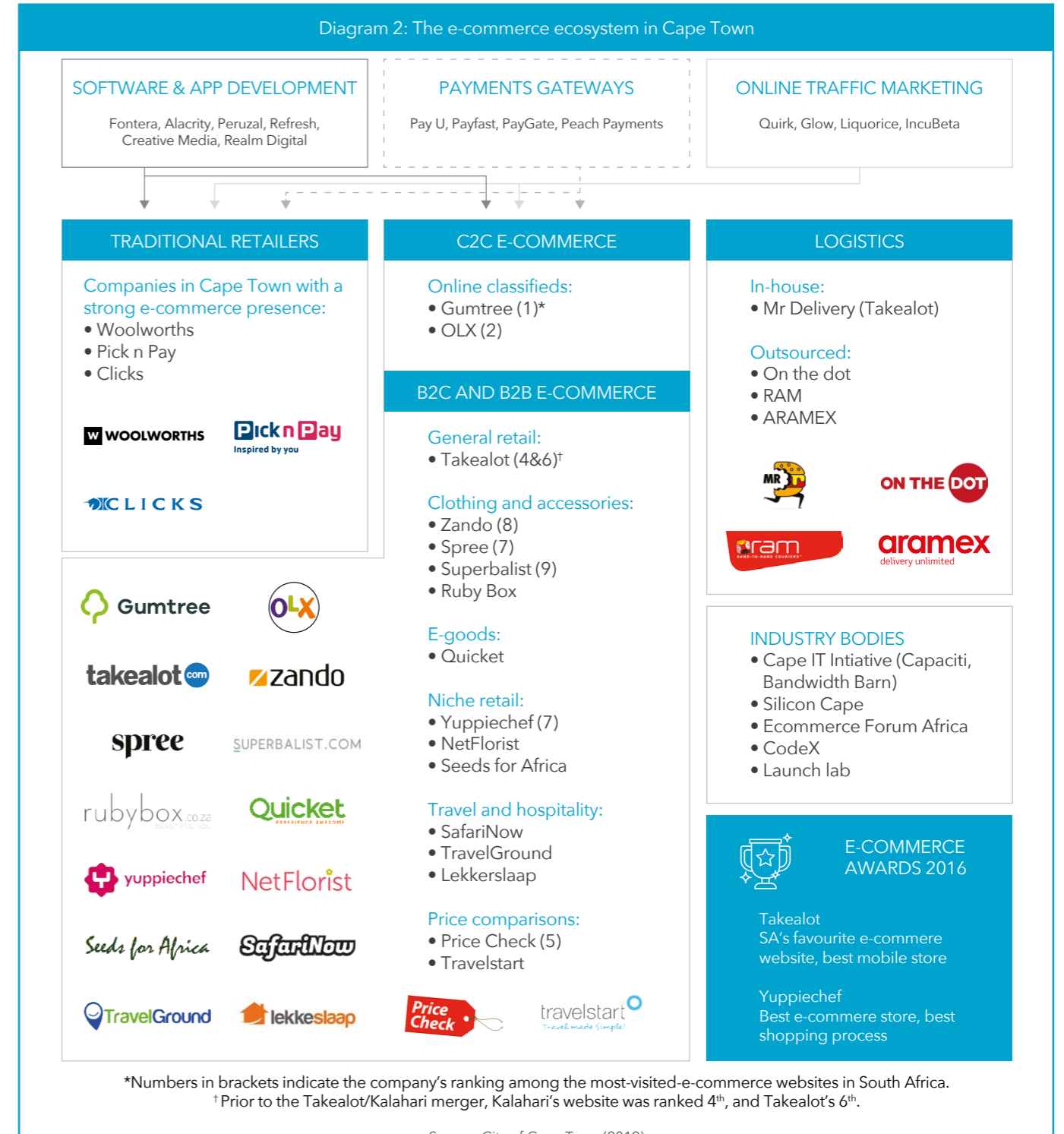


Source: City of Cape Town (2019) adapted from the SAVCA 2018 Venture Capital Survey

Emergence of the ecommerce industry in Cape Town

The ongoing advancement of Information Technology infrastructure and innovative software developments has allowed the e-commerce industry to grow at a rapid pace within the City. Currently Cape Town based companies account for the ten most visited e-commerce websites in the country (Effective Measure, 2014). In an industry that is strongly reliant on supply side factors like the availability of ICT skills, and the prevalence of entrepreneurship, Cape Town has been able to carve out a competitive niche despite having physical access to a much smaller market than the metros in Gauteng. So successful has the City been in carving out this niche, that it is now widely considered to be a tech and e-commerce hub within South Africa.

The diagram overleaf depicts the e-commerce landscape in Cape Town. It distinguishes between companies with a strong e-commerce presence and those which are often referred to as 'e-tailers,' companies that would be classified as exclusively e-commerce by Statistics South Africa. While the e-commerce industry could be categorised under the retail sector, its existence and growth is strongly predicated on the broader technology system in Cape Town and as such supporting industries and industry bodies are critical to the e-commerce industries success in the City.



Competitive advantages of Cape Town as an IT location

Cape Town represents a number of opportunities and advantages to IT businesses locating in it, including:

- The industry is largely supply driven and the availability of ICT skills and, the prevalence of an entrepreneurial culture, are key aspects in this regard.
- There is better availability of venture capital in Cape Town (SAVCA, 2015).
- There are benefits of agglomeration. Cape Town has established itself as a key technology hub in South Africa with a number of major companies launching their head offices in the City. This is, in turn, attracting other tech companies.
- In a highly mobile sector, Cape Town's natural beauty which allows for a better working environment and lifestyle, is a strong pull factor to skilled employees.
- The diverse eco-system of companies across the value chain and, a strong presence of supporting institutions, provide for ease of business operations.

4.2 Financial services

Cape Town's financial services sector was the largest contributor to GDP in 2018, contributing R43 billion, having grown by 1,3%, on average, over the period 2014 to 2018. A large proportion of private investment and asset management services, as well as insurance and personal service companies are located in Cape Town. Cape Town is emerging as a significant financial services hub in the country.

Top insurance companies such as Old Mutual Africa, Santam, Direct Axis, Metropolitan, and Sanlam are headquartered in Cape Town and renowned investment and financial advisors such as Allan Gray, Price Waterhouse Coopers and Investec are also based in the city.

Five major South African banks (First National Bank, ABSA, Standard Bank, Nedbank and Capitec) have offices within the city, and have extensive services located throughout the metropolitan.



Cape Town Financial Industry Indicators

Indicators	Value
GVA (R'000) (2018)	R 43 112 946
Contribution to GVA of national finance industry (2018)	13%
Average annual growth rate (2014 - 2018)	1,3%
Inward FDI into Cape Town's financial services (number of projects) (2009-2018)	17 projects
Formal employment (Finance sector) (2018)	58 356
Cape Town's % of total national employment in the finance sector (2018)	16%

Sources: IHS Markit (2019), FDI Intelligence (2019)

4.3 Film and Multimedia

Cape Town is an internationally competitive film and media destination, with a growing number of international film makers making use of the destination's locations, facilities and services.

The City has a variety of world-class locations, studios, facilitation companies and specialised crew. In addition to being the country's leading feature film production destination, Cape Town is also South Africa's 'new media' hub, with 57% of all South African gaming studios being located in the City as well as a large proportion of the country's animation studios.

There are approximately 5 000 identified City of Cape Town locations (Wesgro, 2016) and countless privately owned locations available to the Film and Media Sector. These locations vary from city centre locations to mountainous and nature based locations, providing flexibility for filmmakers wishing to shoot a multitude of locations in one destination.

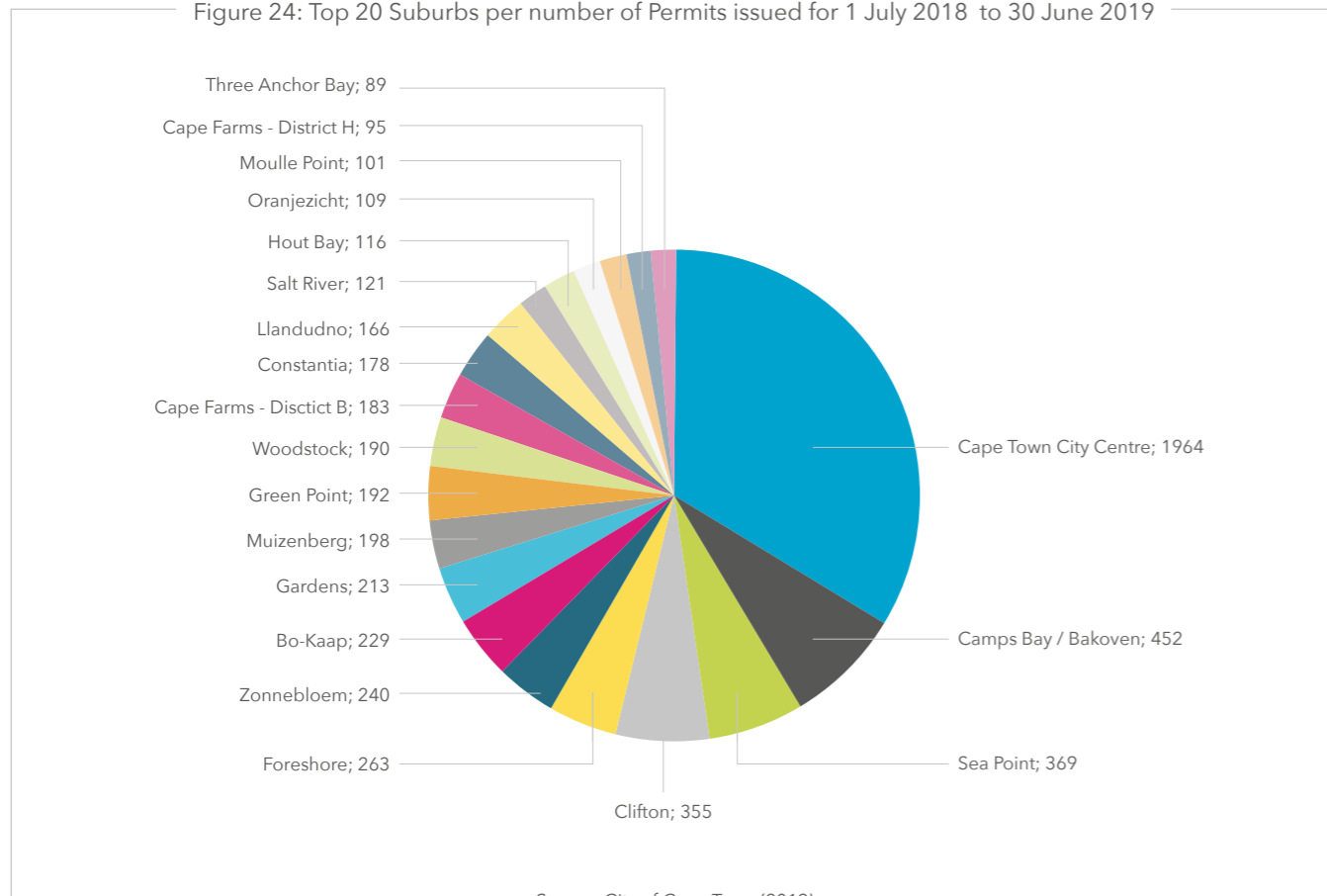
A number of architectural styles also exist in the City.

The Cape Town International Convention Centre (CTICC) - which expanded in 2018 - the Cape Town Stadium, and Cape Town Civic Centre are all popular locations. The V&A Waterfront has its own permit office.

Cape Nature and SANParks locations are also in close proximity to the City.

Between 2017 and 2018, a total of 11 377 locations were booked with 7 061 location permits issued during the period. The number of permits issued on an annual basis in Cape Town puts the city on track with the number of permits issued in other major film destinations like Toronto.

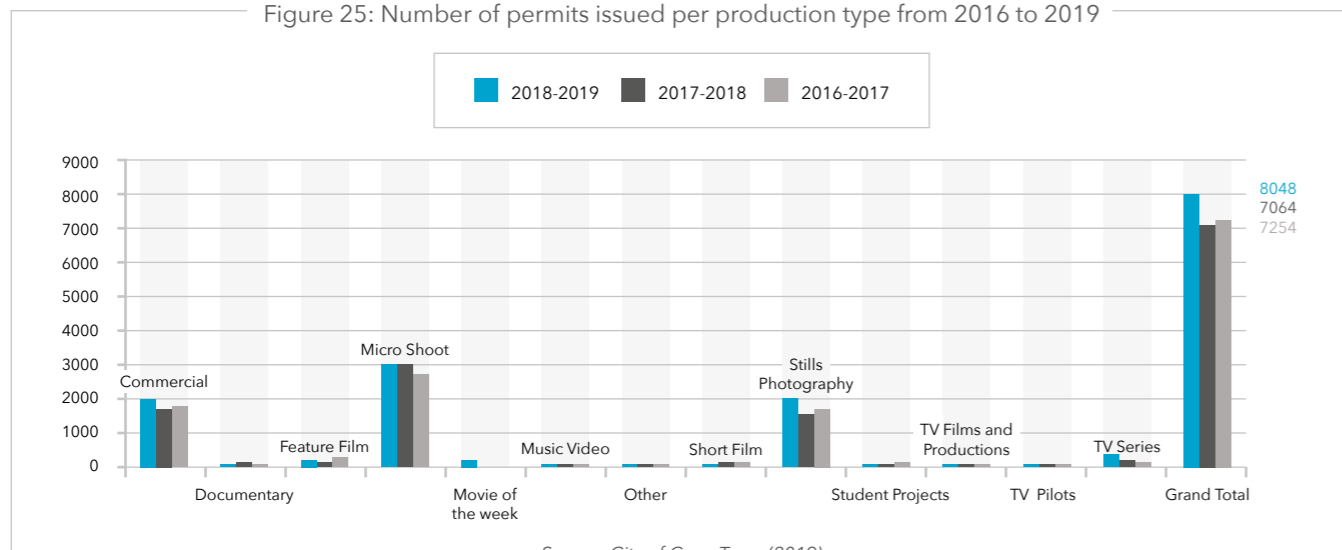
Figure 24: Top 20 Suburbs per number of Permits issued for 1 July 2018 to 30 June 2019



Source: City of Cape Town (2019)

The graph above displays the number of permits issued for filming in the top 20 suburbs throughout the City for the period 1 July 2018 to 30 June 2019. Cape Town City Center is the most popular suburb to film in, accounting for the highest number of permits issued (1 964). Camps Bay/Bakoven, Sea Point and Clifton are also favorites for film makers to film in as they account for 1176 and 355 permits issued, respectively.

Figure 25: Number of permits issued per production type from 2016 to 2019



Source: City of Cape Town (2019)

The graph above shows the breakdown of permits issued per production type for the seasonal periods 1 July 2018 to 30 June 2019, 1 July 2017 to 30 June 2018 and 1 July 2016 to 30 June 2017. The period on period change in number of permits issued increased by 13.9% for the period 2018/2019, after a decline of 5.44% in 2017/2018. The decline in number of permits issued may largely be attributable to the drought faced by Cape Town residents in 2018, impacting negatively on the demand for filming in Cape Town. Following the drought, the sector turned around to reach the highest number of film permits issued for the last three seasonal periods (8048) in mid-2019. For the periods 2018/2019, 2017/2018 and 2016/2017 production of micro shoots contributed the highest number of permits issued of 2958, 2936 and 2687 respectively, while commercial production came in second highest for the same periods with 2053, 1721 and 1820, respectively.

While Cape Town has always been a relatively popular shooting location for feature films, the development of the Cape Town Film Studios (CTFS) served as the catalyst for the change in perceptions about Cape Town as a film destination. This in turn, gained the confidence of the international industry which has led to numerous high profile international productions being shot at the studio. In the past five years, the CTFS has hosted more than 20 productions (refer to the table below), creating approximately 70 000 annualised Full Time Equivalent ("FTE") jobs (CTFS, 2016).

Production	South African Production Company	Foreign Production Company	Year
Black Sails Season 1, 2,3,4	Platinum Dunes, Starz Entertainment, Quaker Moving Pictures	Film Afrika	2012-2016
Darktowers : Gunslinger	Sony Pictures Entertainment, Media Rights Capital, Imagine Entertainment, Weed Road Pictures	Moonlighting	2016
The Empty Man	Twentieth Century Fox , Boom! Studios	Out of Africa	2016
Blood Drive	NBC Universal, Universal Cable Productions, Strong & Dobbs Productions - Syfy Channel	Film Afrika	2014
Love Jacked	Inner City Films, Butinox	Spier Films	2016
Tomb Raider	MGM	Moonlighting	2016
Outlander	Sony Pictures Television, Left Bank Pictures	Film Afrika	2016-2017
Deep Blue Sea 2	Warner Brothers, Syfy Channel	Film Afrika	2017
Escape Room 1 & 2	Columbia Pictures, Original Film	Moonlighting	2017 & 2019
Red Sea Diving Resort	Bron Studios, EMJAG Productions	Out of Africa	2017
Samson The Movie	Pure Flix Entertainment	Fabulous Boomtown Boys	2017
Warrior Season 1 and 2	HBO	Moonlighting	2017-2019
Origin	Google, Youtube Red, Left Bank Pictures	Moonlighting	2018
Doctor Who	BBC	Out of Africa	2018
Good Omens	Amazon Studios, BBC Studios, BBC Worldwide. Blank Coropation	Out of Africa	2018
Bloodshot	Sony Pictures Entertainment	Moonlighting	2018
Monster Hunter	Capcom Company, Impact Pictures	Moonlighting	2018
Inside Man 2	Universal Pictures	Moonlighting	2017
Raised by Wolves	Scott Free Productions	Film Afrika	2018-2019
Poppie Nongena		Helena Spring	2018
Riding with Sugar		Helena Spring	2018
Jim Button	Malao Film, Rat Pack Filmproduktion, Studio Babelsberg, Warner Bros	Moonlighting	2018
Vagrant Queen	Blue Ice Pictures	Blue Ice Films	2019
The Watch		Film Afrika	2019
Deep Blue Sea 3		Film Afrika	2019

Source: Cape Town Film Studio, 2019

Key Indicators for the Film and Media Industry in Cape Town

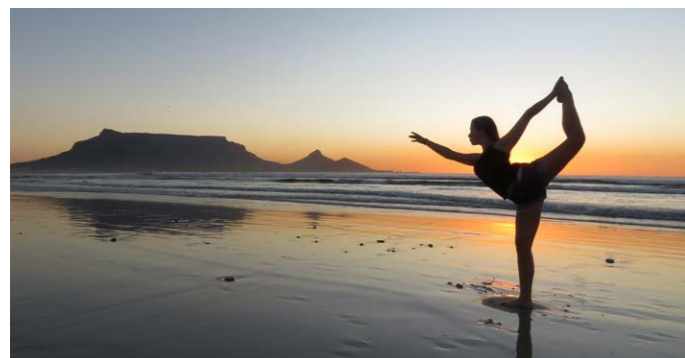
Indicators	Value
Impact of the Film and Media Industry on Cape Town's Economy	
Cape Town Film and Media GVA (direct)	R1 375 million
Cape Film and Media GGP (direct & indirect)	R2 632 million
Direct jobs (FTE) in Film and Media in Cape Town	6 550
Total jobs (FTE) in Film and Media in Cape Town	9 490
Inward FDI into Cape Town Film sector (2003-2016)	3 projects valued ZAR2.1 billion (94% of SA cities)
General statistics for the Film and Media Industry in Cape Town	
Cape Town gaming studio (2017)	17 studios (57% of SA)
Cape Town co-productions projects (2010-2014)	18.5 co-productions (55% of SA cities)
Number of registered production companies in SA	150
Number of Screens in South Africa	+800 screens available over 125 cinemas

Sources: City of Cape Town (2019), NFVF (2019) and Wesgro (2019)

The list below shows the commercials that were shot in Cape Town.

Commercials Shot at CTFS/Good Hope Centre	
Commercial Name	Production Company
Sky	The Farm Productions
Cell C	Egg Films
Cell C	Film Machine
Facebook	Platypus Productions
Castle Lite	Plank Films
Netflix	AFS Productions
Henkel	Giant Films
E-Trader	AFS Productions
Esprit	Cape Direct
ATU	Cyclone Films
Kohl	Monkey Films
Kubus	Atomic Pictures
Sears	Moonlighting Films
Maltina	Cab Films
Kohls Summer	Monkey Films
VW Amarok	Velocity Films
Sky Vodka	Egg Films
Celebrex	AFS Productions
DHL	Egg Films
Glow Exite	Wishbones
Nissan Leaf	Farm Films
IBM	Gatehouse Commercials
CTM	Moonlighting Commercial
Heineken	Monkey Films
Klipdrift	Carbon Films
Loveables	Navigator Films
Renault	Lobster Tree
Tangerine	Moonlighting Commercial
Right to play	Moonlighting Commercial
Glo commercial x2	Wishbones
Gatehouse	Emirates
The Lifesaver	CV Africa
MTN	Darling Films
Soweto 1960	
Kinder Joy	Atomik Pictures
Naai is n lekker ding	Orange Films
Instaslave Stories	Moonlighting Commercial

Source: Wesgro, 2019



Competitive advantages of the Film and Media Industry in Cape Town

- Cape Town has the lowest annual operating costs when benchmarked against other film cities such as Auckland, Madrid, Rio de Janeiro, Beijing, London, New York, Paris and Toronto (FDI Benchmark, 2018).
- South Africa has 9 co-production treaties with Germany, United Kingdom, Canada, Italy, New Zealand, Australia, France, Netherlands and Ireland. Germany has been the leading co-producing partner.
- Cape Town Film Studios has been rated as the best film studio complex of its kind, in the developing world by international production executives (CTFS 2017).
- The film industry has local skills across facilitation, production, technical services and the creative arena boasting over 2 500 direct service providers.
- The industry is further supported by select film and media education and training institutions located in the Western Cape. These include Big Fish School of Digital Filmmaking, the University of Cape Town Film and Media Department, AFDA, City Varsity, Red and Yellow, AAA Cape Town, Vega, The Animation School, SAE and False Bay College to name a few
- The City's expanding broadband infrastructure will gradually remove internet connectivity constraints sometimes faced by the industry.
- The Department of Trade and Industry production and post production that takes place in South Africa.

4.4 Tourism

Cape Town attracts tourists from across the globe, thanks to the appeal of its natural beauty, vibrant culture and ease of access to key tourist sites. In 2018, its top six main attractions⁹ enjoyed 23 million visits (City of Cape Town, 2018).

Major companies across a spectrum of clusters (including convention centres, hotels, tour operators and hospitality, travel planners, restaurants, attractions and supporting bodies) have a presence in Cape Town.

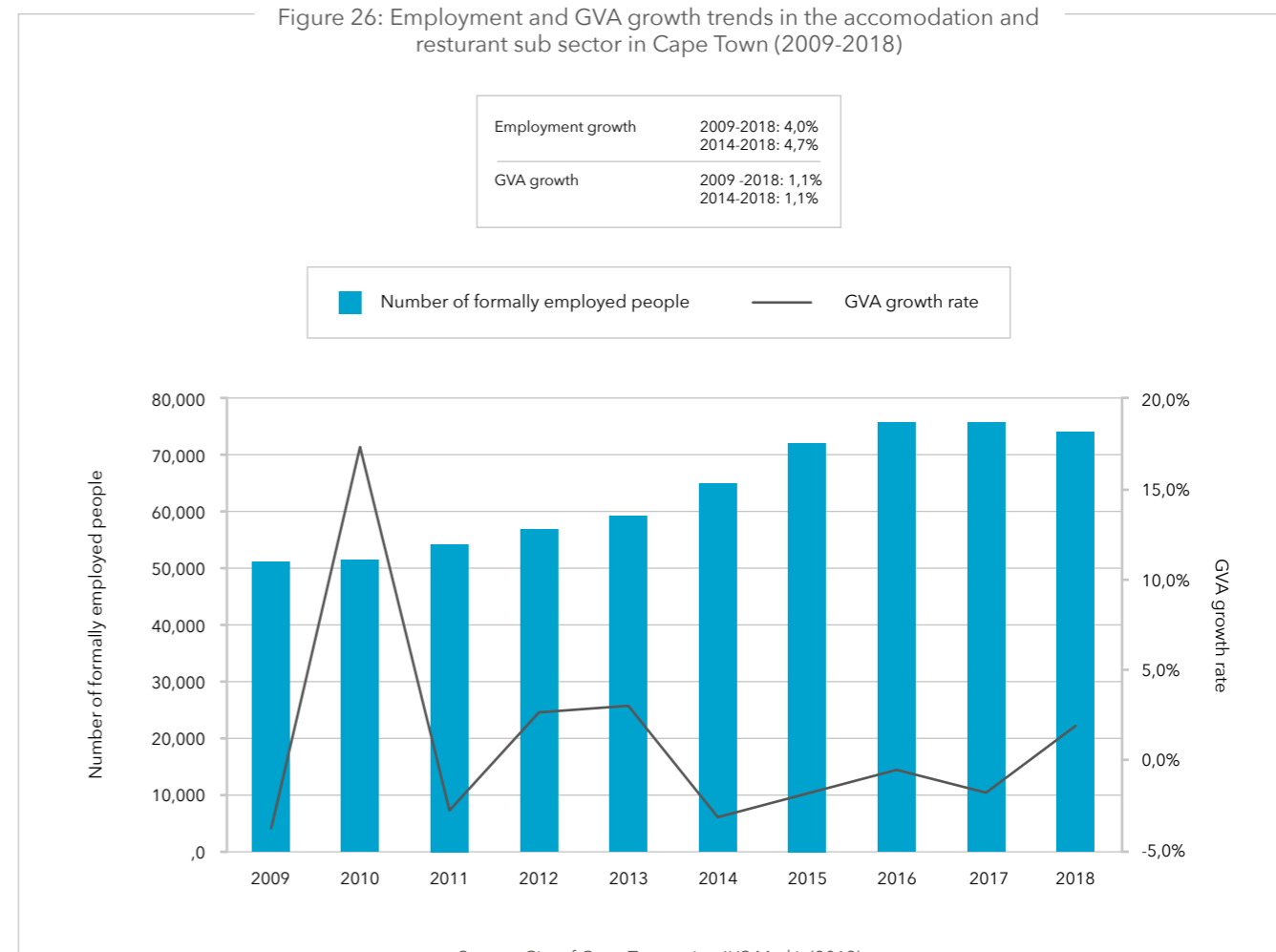
Key Indicator Table, for the accommodation and restaurant sub-sector, 2018

GVA / share of Cape Town GVA	R2 857 million / 1,01%
Location quotient	1,33
Ten year FDI value	R1 531 million
Ten year GVA Growth contribution (2009-2018)	0,69%
Employment	73 948
Ten year Employment contribution (2009-2018)	11,44%

Sources: IHS Markit (2018), FDI Intelligence (2018)



Figure 26: Employment and GVA growth trends in the accommodation and restaurant sub sector in Cape Town (2009-2018)



Source: City of Cape Town using IHS Markit (2019)

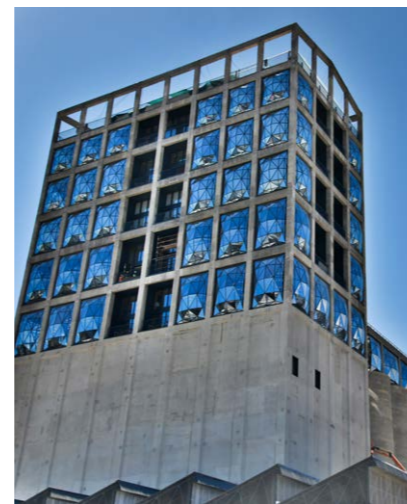
*Note: As economic data is not classified for the tourism sector on its own, the accommodation and restaurants sub-sector is used as a proxy to represent the tourism sector.

⁹ The Victoria and Alfred Waterfront, Table Mountain National Park: Cape of Good Hope, Table Mountain National Park: Boulders Beach, Table Mountain Aerial Cableway, Kirstenbosch National Botanical Garden and Robben Island.

Business footprint in the Tourism industry in Cape Town

Competitive Cluster	Major Companies
Convention centres	Cape Town International Convention Centre (CTICC), Century City Convention Centre (CCCC)
Hotel groups	Tsogo Sun, Marriot International, Holiday Inn, Protea Hotels, City Lodge Hotel Group, Lord Charles Hotel
Tour operators and hospitality	Hylton Ross, City Sightseeing, Africa Travel Group, Platinum Hospitality Group
Travel Planners	Travelstart, Safarinow, Lekkeslaap and Airbnb
Restaurants	The Test Kitchen, Harbour House Group
Attractions	City Sightseeing, Table Mountain Aerial Cableway, V&A Waterfront, Kirstenbosch Botanical Gardens, Robben Island, Castle of Good Hope
Supporting bodies	Cape Town Tourism, Wesgro, FEDHASA

Source: City of Cape Town using Who Owns Whom (2019)



List of Hotels operating in Cape Town since 2014

HOTEL NAME	NUMBER OF ROOMS	ADDRESS
Raddisson Blue	231 rooms	22 Riebeeck Street
Raddison Red	252 rooms and studios 2017	Waterfront
The Silo Hotel	28 rooms	Waterfront
Gorgeous George	32 rooms	118 St Georges Mall
Tsogo Sun SunSquare Cape Town City Bowl	202 rooms	Buitengracht and Strand Street
Tsogo Sun StayEasy Cape Town City	302 rooms	Bree and Strand Street
New Tulbagh Hotel	-	9 Ryk Tulbagh Square
Mariott Hotels the AC Hotel		Will be located at The Yacht Club in the Roggebaai precinct at the gateway to Cape Town's waterfront
Cape Town Marriott Hotel	200 rooms	Foreshore will be built at the Harbour Arch
Residence Inn by Marriott Cape Town	150 rooms	-
The Coral International Hotel - Bo Kaap	140 rooms and suites (include sectional titles for 30 days)	Buitengracht and Wale Street
Capital Hotel Group - Capital Mirage	65 hotel rooms	De Waterkant
Managed by Newmark Hotels - Onyx	102 self-catering rooms 2018	Bree street
Managed by Newmark Hotels	33 rooms	The Stock Exchange, Woodstock
Blaauwberg Hotel	187 rooms	Blaauwberg

Source: City of Cape Town (2019)

Strong increases in visitor numbers, driven by more direct flight options, resulted in a bumper tourism season in 2016 and 2017, however visitor number have declined slightly in 2018 which may be attributed to the negative perception of the water restrictions. In 2018 the total number of arrivals to Cape Town International Airport (CTIA) amounted to 5 364 958 passengers.

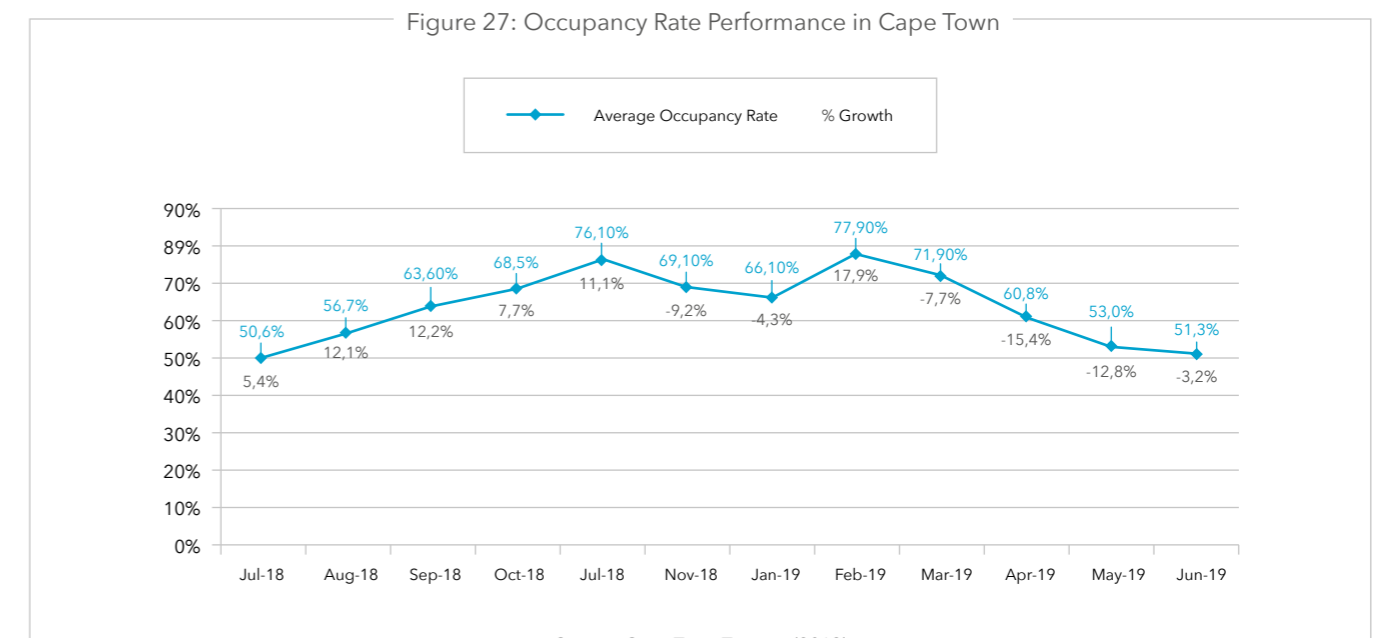


Tourism Indicators, 2017

Foreign Arrivals	Source	Value
Total Foreign Arrivals to South Africa	Cape Town Tourism	10 285 197
Share of Foreign Arrivals to the Western Cape	Cape Town Tourism	16,8%
Number of Foreign Arrivals to the Western Cape	Cape Town Tourism	1 727 913
Share of Foreign Arrivals to Cape Town	Cape Town Tourism	95,8%
Number of Foreign Arrivals to Cape Town	Cape Town Tourism	1 655 341
Domestic Tourism Overnight Trips		Value
Total number of domestic trips taken in South Africa	Cape Town Tourism	17 168 000
Share of domestic trips taken to the Western Cape	Cape Town Tourism	8,5%
Number of domestic trips taken to the Western Cape	Cape Town Tourism	1 463 000
Share of domestic trips taken to Cape Town	Cape Town Tourism	32,0%
Number of domestic trips taken to Cape Town	Cape Town Tourism	468 160

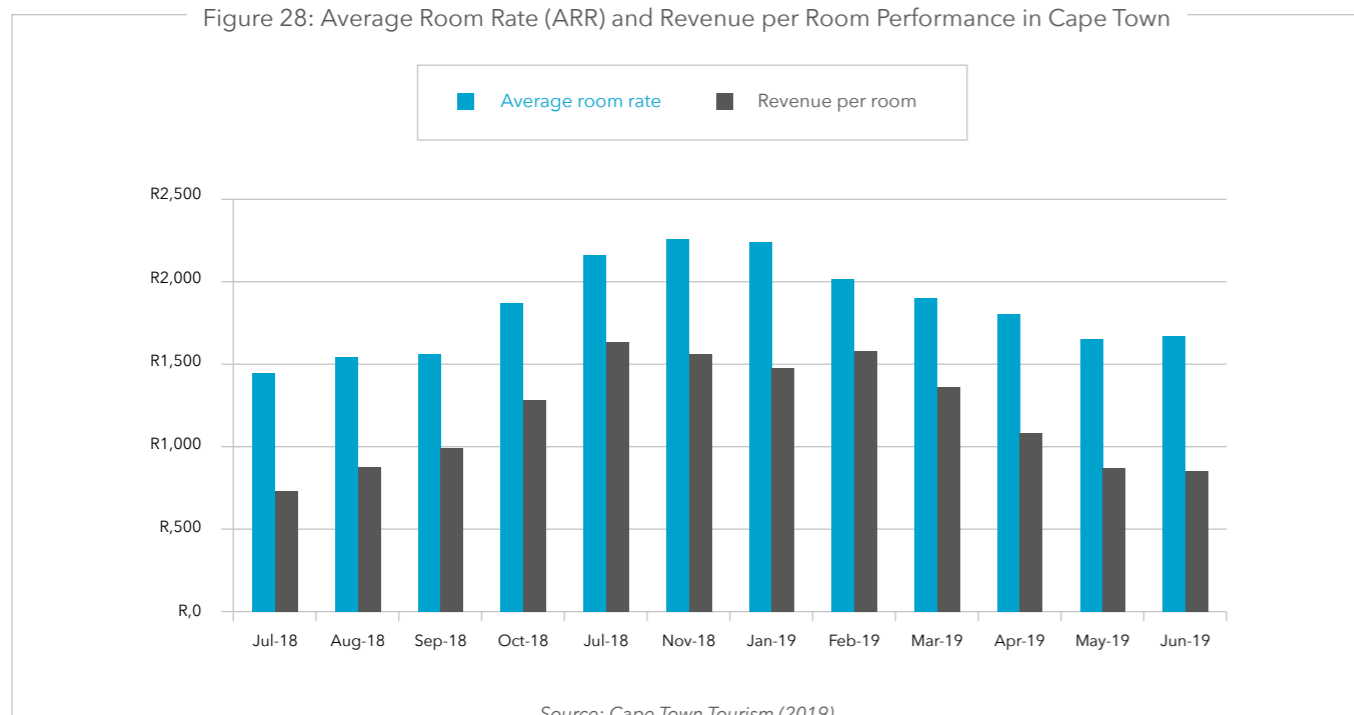
Source: Cape Town Tourism, 2019, I and M Futureneer Advisor Pty Ltd 2019

The graph below shows Cape Town's occupancy rates for the period July 2018 to June 2019. Between November 2018 and January 2020 the district witnessed a decline in the occupancy rate. According to Cape Tourism this can be attributed to a number of factors which include an oversupply of rooms, safety concerns and perceived political instability.



Source: Cape Town Tourism (2019)

The graph below shows the average room rate and RevPAR¹⁰ performance in Cape Town for the period July 2018 to June 2019.



Competitive advantages for the Tourism industry in Cape Town

- Cape Town has a natural scenic appeal, in part owing to it having Table Mountain, one of the new seven Wonders of Nature.
- The City has received numerous accolades since 2011, as showcased in Section 3.
- The natural attractions of Cape Town contribute to the City being viewed as a destination where tourists do not have to spend a lot of money to have a good holiday.
- The City provides first world infrastructure and tourist facilities, including conference facilities.
- Cape Town has the country's second largest airport, which makes the destination more accessible than others in Africa.
- Cape Town's tourism brand has become self-sustaining, with the City regularly making it onto top ten lists globally.
- Some of the best restaurants in the world are located in Cape Town, helping to establish Cape Town as a major gastronomic destination on the continent.
- There is a strong perception that Cape Town is a safer travel destination than other cities in the country.
- The relatively weak exchange rate also works in favour of international tourists.

¹⁰ RevPAR is the Revenue per available room, it is the conceptual link between average occupancy rates and average room rates. It measures the net accommodation revenue per day, per available room.

A great location for green tech manufacturing



The Atlantis Special Economic Zone (SEZ) for Green Technologies is located on the West Coast of South Africa, in the Cape Town Metro. The zone is dedicated to the manufacturing and provision of services in the green tech space. Wind turbines, solar panels, insulation, biofuels, electric vehicles, materials recycling and green building materials are examples of green tech that are welcomed.

If you are a manufacturer, service provider or supplier to green tech value chains, the SEZ may be a great place to locate. It offers the benefits of co-location, access to strong markets, a development-ready area, great support and incentives, and an attractive skills base to recruit from.

where green
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4.5 Green Technology

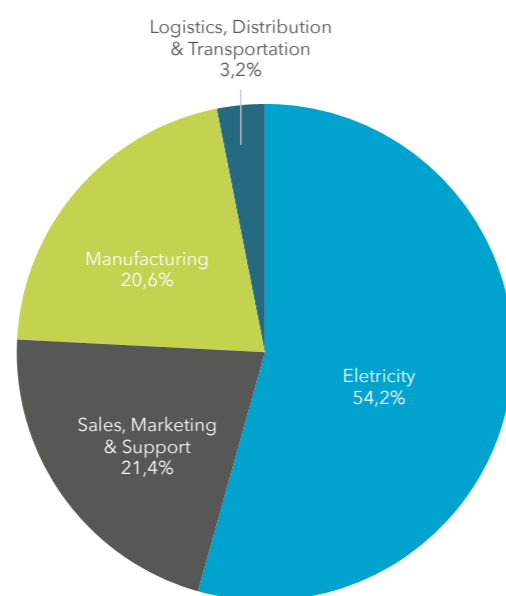
South Africa's utility-scale Renewable Energy Independent Power Producer Procurement Programme (REI4P) is worth R200 billion, with a local content requirement of R67.1 billion (City of Cape Town and GreenCape, 2019). The value of Western Cape REI4P projects is R36.2 billion (ibid). REI4P requirements for local content procurement range between 40-65%, providing significant local manufacturing opportunities (ibid).

Cape Town has positioned itself as the focal point for Green Technology in South Africa, with the successful designation of the Atlantis Special Economic Zone (ASEZ) and its official launch on 6 December 2018 as presided over by the President of South Africa, His Excellency Cyril Ramaphosa. Being located in the Western Cape means Cape Town has access to prime locations, modern infrastructure, a skilled workforce, low operational costs and an abundance of natural resources (GreenCape, 2019a: 44).

A number of Renewable Energy companies have their headquarters in Cape Town across the economic clusters of solar photovoltaic manufacturing, wind turbine-related, electrical manufacturing, fuel supply, professional services and supporting bodies. Foreign direct investment in the renewable energy sector amounted to R5 billion between 2008 and 2017, corresponding to 18 new projects (FDI Intelligence, 2019). This investment came predominantly through the electricity (54,2%), sales, marketing and support (21,4%) and manufacturing (20,6%) sub-sectors, with a marginal share attributable to logistics, distribution and transportation (3,2%) during this period (ibid).



Figure 29: FDI inflows into the Renewable Energy Sector between 2008-2017 Distinguished by industry activity classification



Source: FDI Intelligence (2019)

Business footprint in the Renewable Energy industry in Cape Town

Competitive Cluster	Major Companies	Solar panels	Inverters	
Solar photovoltaic manufacturing	IBC Solar	Jinko solar	Siemens	
	Suntech Power Holdings	Hanwha SolarOne	SMA Solar Technology	
	Sunpower	Yingli Solar	Bonfiglioli	
	Exosun	SunPower (acquired Tenesol)	AEG	
	JinkoSolar	Solar Direct	MLT Drivers	
	SMA Solar Technology	SetSolar	Microcare	
	ReneSola	Canadian Solar	TUB	
	Znshine Group	Foundations	RWW Engineering	
	PROINSO	Aveng	Inverters	
	First Solar	Murray and Roberts	Siemens	
	TerniEnergia	Group 5	SMA Solar Technology	
	AEG Power Solutions	Trackers	Bonfiglioli	
	ART Solar (Durban)	Tenesol	AEG	
	IBC Solar/ILB Helios	PIA Solar	MLT Drivers	
	Canadian solar	PowerWay	Microcare	
	Reutech	TUB		
		RWW Engineering		
Competitive Cluster	Major Companies	Turbines	Blades	
Wind turbine-related manufacturing	Juwi	Suzlon	Suzlon	
	Wind Prospect	Acciona	Vestas	
	Gestamp Renewable Industries (GRI)	Sinovel	Nordex	
	Mainstream Renewable Power	Vestas	Siemens	
	Vestas	Guodian United Power	Towers	
	Nordex	Nordex	GRI Towers	
	Siemens	Siemens	Concrete Units	
	Enercon	Internals	Cabling	
	Resolux Group	Resolux	Resolux	
	Foundations	Steel Structures		
	Aveng	ArceloMittal (announced closure)		
	Murray and Roberts			
	Group 5			
	Competitive Cluster	Major Companies		
	Electrical manufacturing	Adenco Construction	E-Lek Engineering	
Competitive Cluster	Major Companies			
Fuel supply	FFS Refiners	Bio Green		
Competitive Cluster	Major Companies			
Other green technologies	Kaytech (Geotextiles)	Skyward (double glazed window & door manufacturer)		
Competitive Cluster	Major Companies			
Professional services	Mainstream Renewable Power	G7 Energies	ACWA Power	
	African Infrastructure Investment Managers (AIIM)	Windlab	Aurora Power Solutions	
	Mulilo Renewable Energy	Building Energy	Acciona	
	Umoya Energy	ACED (African Clean Energy Devn)	Globeleq	
	BioTherm Energy	RedCap		
	Scatec Solar	Skypower		
	Pele Green	Veld Renewables		
	Enel Green Power	Innowind		
	Supporting bodies	GreenCape	South African Renewable Energy Business Incubator (SAREBI)	
Wesgro		South African Renewable Energy Technology Centre (SARETEC)		

Sources: City of Cape Town using FDI Intelligence (2020)

Cape Town accounts for approximately 72% of the Western Cape's economy and houses most of the large, energy intensive industrial areas. A large number of renewable companies in the region have established head offices in the city in order to be close to clients. The city's three universities are also actively contributing towards research and development in the domain of renewables and the green economy.

The City of Cape Town established a greentech manufacturing hub in Atlantis in 2011 in response to the government's focus on localisation of manufacturing as part of the Department of Energy's Renewable Energy Independent Power Producer Programme (REIPPPP). The focus subsequently extended to include a broader range of green technologies. This 'hub' was subsequently formally designated as the Atlantis Special Economic Zone (ASEZ) (GreenCape, 2019b). The City of Cape Town then made tracts of land available at low cost for purchase or lease by greentech companies in the ASEZ through an accelerated land disposal process. A number of other financial and non-financial incentives are also on offer, including a municipal electricity tariff subsidy, fee exemptions for land use and building plan application fees and development contribution deferrals as well as fast tracked development approvals (City of Cape Town and GreenCape 2019).

The greentech market opportunities in the short-term in Cape Town extend beyond the ASEZ, and, as profiled by NOVA Economics in 2018, include opportunities in relation to:

- Green building materials
- Advanced (eco-friendly) packaging
- Advanced (recycled) materials
- Advanced (bio-) chemicals
- Water efficient devices
- Water storage



Cape Town Renewable Industry Indicators (2019)

Indicators	Value
Percentage of all successful projects in South Africa's utility-scale Renewable Energy Independent Power Producer Procurement Programme (REI4P) that were developed by companies located in Cape Town	60% of national
Percentage of all national component manufacturers that are located in Cape Town	70% of national
Composition of procured projects under South Africa's utility-scale Renewable Energy Independent Power Producer Procurement Programme (REI4P) in the Western Cape	14% of all wind energy projects and 6% of all solar energy projects are in the Western Cape

Source: City of Cape Town and GreenCape, 2019



Competitive advantages of the Renewable Energy industry in Cape Town

Being located in the Western Cape means that Cape Town forms part of a Province which GreenCape deems 'Africa's renewable energy and cleantech hub' (GreenCape, 2019: 44), with:

- A critical mass of renewable component manufacturers and renewable project developers in Cape Town.
- Access to funding, with a number of foremost professional services and financiers located in Cape Town.
- A concentration of high-skilled talent with four universities with established Research and Development capacity and dedicated streams of study in the realm of the green economy.
- An attractive lifestyle appeal which draws and retains high skilled labour.
- Notable market opportunities for businesses and investors across the agriculture, energy services, utility scale solar and wind, waste, water, bio-economy and resource efficiency streams.
- An ease of doing business, with the City of Cape Town leading the national ranks in terms of dealing with construction permits and in providing electricity according to the World Bank's Doing Business in South Africa publication (World Bank, 2018).
- Investment incentives from the City of Cape Town in the Atlantis Green Technology Special Economic Zone. A rollout of these incentives to other industrial areas across the city is under consideration.
- Strong and growing South African and African markets for Greentech.
- An Innovative Greentech Ecosystem which includes the likes of GreenCape and scientific knowledge institutions in the province.
- Investors have access to extensive investment support through the Invest SA One Stop Shop, Wesgro, GreenCape and the City of Cape Town's Investment Facilitation Offices.



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WESTERN CAPE

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The OSS cuts through red tape and streamlines the investment value chain for medium to large sized companies looking to invest in South Africa.

Making business a pleasure in South Africa

For the ease and convenience of doing business, the OSS is located in one building. Which means we act as your centralised contact point, as opposed to you dealing with a multitude of government departments in different locations. The OSS has made great strides in fostering a better business environment in Cape Town and the Western Cape, helping to make the investment process here as seamless as possible.

Investment facilitation services

The OSS acts as your investment home away from home by facilitating meetings with governmental stakeholders and providing access to investor resources. Further to this it also offers:

- The provision of facilities and departmental representatives to assist investors with business registration
- Intellectual property protection, applications for national and local incentives, applications for work visas
- Temporary and permanent residence, registration for tax purposes, and any other regulatory requirements (licenses, authorisations, registrations, etc.) to do business in South Africa and the Western Cape.
- A front desk, centre manager and office management service.
- High-end, accessible facilities where investors can meet relevant stakeholders to discuss investment opportunities and plans.

- Information on trade and investment in the Western Cape, South Africa and Africa.
- A lead-tracking system to ensure that prospective investors receive quality services until their respective projects reach the point of commercialisation.
- An entry point for investors in need of regulatory compliance.
- The provision of pre-approval information to investors (i.e. market data, costs, incentives, project approval, visits, local partners, etc.)
- The provision of facilitation services to investors (i.e. permits, approvals, import equipment & raw materials, work permits, etc.)
- Incentive facilitation.
- Participation in regulatory reform.
- A collaborative interface between senior-level government agents and investors.



4.6 Electronics

Cape Town's strong skills base enables it to be flexible, responsive and innovative in response to ever-shifting technology possibility frontiers, and rapidly evolving consumer tastes and preferences (City of Cape Town, 2014). The electronics sector, although relatively small is an important contributor to foreign exchange earnings through both exports and FDI. In 2018, the sector contributed R764 million to the Cape Town economy.

Cape Town has a strong company representation across the following clusters: satellite technology, circuit board and contract manufacturing, audio-visual product manufacturing, including televisions, telecommunications (not cellphones) and medical technology (City of Cape Town, 2014).



Key Indicator Table, 2018

GVA / share of Cape Town GVA	R764 million / 0,27%
Location quotient	0,89
Ten year FDI value	R2 246 million
Ten year GVA Growth contribution (2009-2018)	0,32%
Employment	3 374
Export value	R8 167 million

Sources: IHS Markit (2019), FDI Intelligence (2019)

Business footprint in the Electronics industry in Cape Town

Competitive Cluster	Major Companies
Satellite technology	New Space Systems, SCS Space, Cube Space, S-Plane, Denel Space Teq, African Space Innovation Centre (CPUT), Simera
Circuit board and contract manufacturing	Mec Technology, Montar Manufacturing, Trax Interconnect, Switchboard Manufacturers Cape, Zyteq Technologies, Barracuda Holdings
Telecommunications (not cell phones)	Garmin, Tellumat, ET Systems, Quantum Telecommunications, ENRA Technologies
Medical technology	Pinnacle Instruments, Rhomberg Instruments, Masskot, Sheer Mobility, Minus 40, Winfar Surgical
Consumer electronics	Hisense, Panasonic
Appliances	Hisense, AEG, Panasonic

Source: City of Cape Town using Who Owns Whom (2019)



Competitive advantages of the Electronics industry in Cape Town

- There is a prevalence of innovative design thinking and strong systems integration.
- There is good access to skilled engineers required within the sector.
- There are established African export markets for electronic products and good infrastructural connectivity to these markets.
- It is relatively easy to export products from Cape Town.
- Cape Town is considered a comparatively low-cost destination for consumer electronic manufacturing.
- Cape Town has an historical advantage for companies in space technology due to the national space programme facility (Houwteq) being previously located in Grabouw. This has resulted in an agglomeration of space technology skills in Somerset West.
- The business environment is perceived to be safer, based on a perception of lower crime levels in Cape Town.

Contact Us

For more seamless investment help, contact:

oss@wesgro.co.za • 021 023 0900
46 Street Georges Mall, Cape Sun Corner, Strand Street 8001



4.7 Food and Beverages

Cape Town is an established hub for food and beverage manufacturing, boasting some of the country's largest companies in the sector. The city's proximity to a vast and productive agricultural hinterland with distinctive agricultural yields (including grapes, deciduous fruits and ostriches), its large international port, a growing consumer population and a relatively strong skills base, makes it a very competitive location in which to base food and beverage manufacturing operations.

The industry is one of the few manufacturing industries in which Cape Town has a positive trade balance and is a very important earner of foreign exchange for the City. Recent growth in food and beverage exports provides reason to believe that the sector is well placed to realise the opportunities presented by growing demand for food and beverage products on the African continent. Cape Town hosts competitive clusters in terms of the manufacture of spice and saucing products, the processing of fish products, the manufacture of grain mill products (especially cereals), beer brewing and soft drink production.

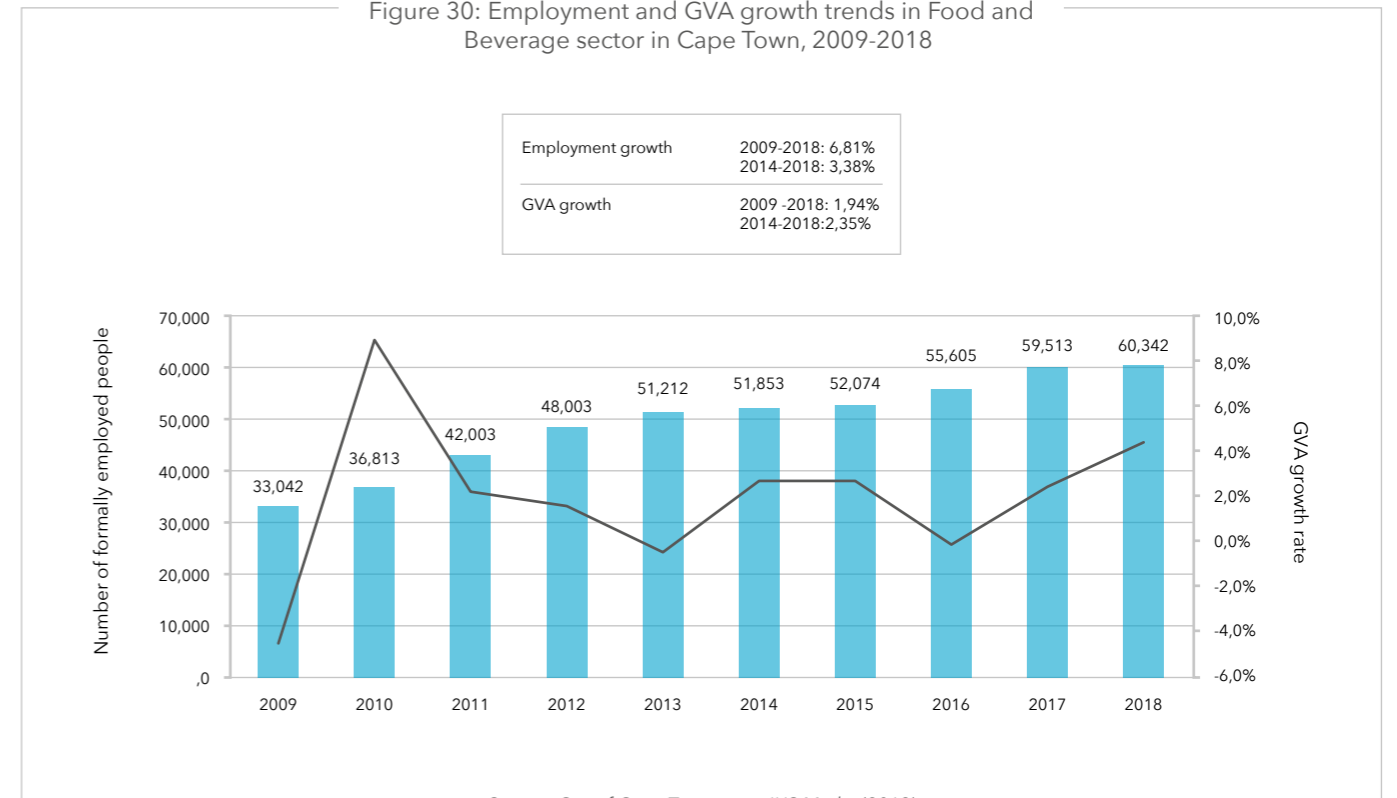
Food and beverage manufacturing is the largest of Cape Town's manufacturing industries, contributing 3,88% of Cape Town's GVA. The industry has a metro location quotient of 1,34, meaning that it is relatively more important to Cape Town's economy than it is to other metros and can thus be considered a comparative advantage industry for the city.

Key Indicator Table, 2018

GVA / share of Cape Town GVA	R11 001 million / 3,88%
Location quotient	1,34
Ten-year FDI value	R824 million
Ten-year GVA Growth contribution (2008-2018)	4,48%
Employment	60 342
Ten-year Employment contribution (2008-2018)	13,41,%
Export value (including fishing)	10 209 million

Sources: IHS Markit (2019), FDI Intelligence (2019)

Figure 30: Employment and GVA growth trends in Food and Beverage sector in Cape Town, 2009-2018



Source: City of Cape Town using IHS Markit (2019)

Business footprint in the Food & Beverages industry in Cape Town

Competitive Cluster	Major Companies
Fish products	I&J; Oceana; Sea Harvest
Beverages	Quality Beverages; Pioneer Group; Twizza; Peninsula Beverages, South African Breweries; Good Hope International Beverages
Craft Beer	Devil's Peak Brewery; Jack Black; Distell
Spices and Saucing	Freddie Hirsch, Ina Paarman; Zemcor; Exim; Mediterranean Foods; Natural Herbs and Spices
Grain Mill Products	Bokomo; Pioneer; Tiger Brands; Sasko Grain
Dairy products	Parmalat South Africa (Pty) Ltd
Food products	BM Foods Manufacturers; Rhodes Food Group Holdings Ltd; Afrifresh; Cape Oil products
Major retailers	Pick n' Pay; Checkers; Woolworths

Source: City of Cape Town using Who Owns Whom (2019)



Competitive advantages of the Food and Beverages industry in Cape Town

- Cape Town has access to the country's richest stocks of fish, especially hake.
- It has an established history in the food and beverage industry with some of the country's largest firms in the sector.
- It has good proximity to a vast agricultural hinterland with distinctive agricultural yields (including grapes, deciduous fruits and ostriches).
- It has advantages in terms of having an international port.
- Cape Town and its broader region has a fast growing consumer population.
- Cape Town is a hub for artisanal food and beverage development being the largest producer of craft beer and the South African city with the largest per capita filter coffee consumption.

4.8 Clothing and Textiles

South Africa has traditionally had a relatively strong clothing and textiles industry, predominantly centred in Cape Town and KwaZulu-Natal. With a location quotient of more than two within the City, clothing and textiles is Cape Town's strongest manufacturing comparative advantage industry by some margin. The clothing and textiles industry in Cape Town tends to focus more heavily on the production of wearing apparel and on high-fashion items (City of Cape Town, 2018).

The clothing and textiles industry continues to be a major employer in the Cape Town economy, employing 24 734 individuals – the second largest employer within the manufacturing sector. It is also the most labour-intensive sector outside tourism and the primary sector, meaning that the job return on investment tends to be higher than in other sectors (City of Cape Town, 2016). The high concentration of retail head offices in Cape Town (including Woolworths, the Foschini Group, Truworths, Pep and Cape Union Mart, among others) means that retailers and manufacturers can coordinate their activities to ensure the quickest possible response to changes in customers' tastes and preferences (CCTC, 2018). The added presence of a burgeoning fashion design industry within the City further enhances this advantage.

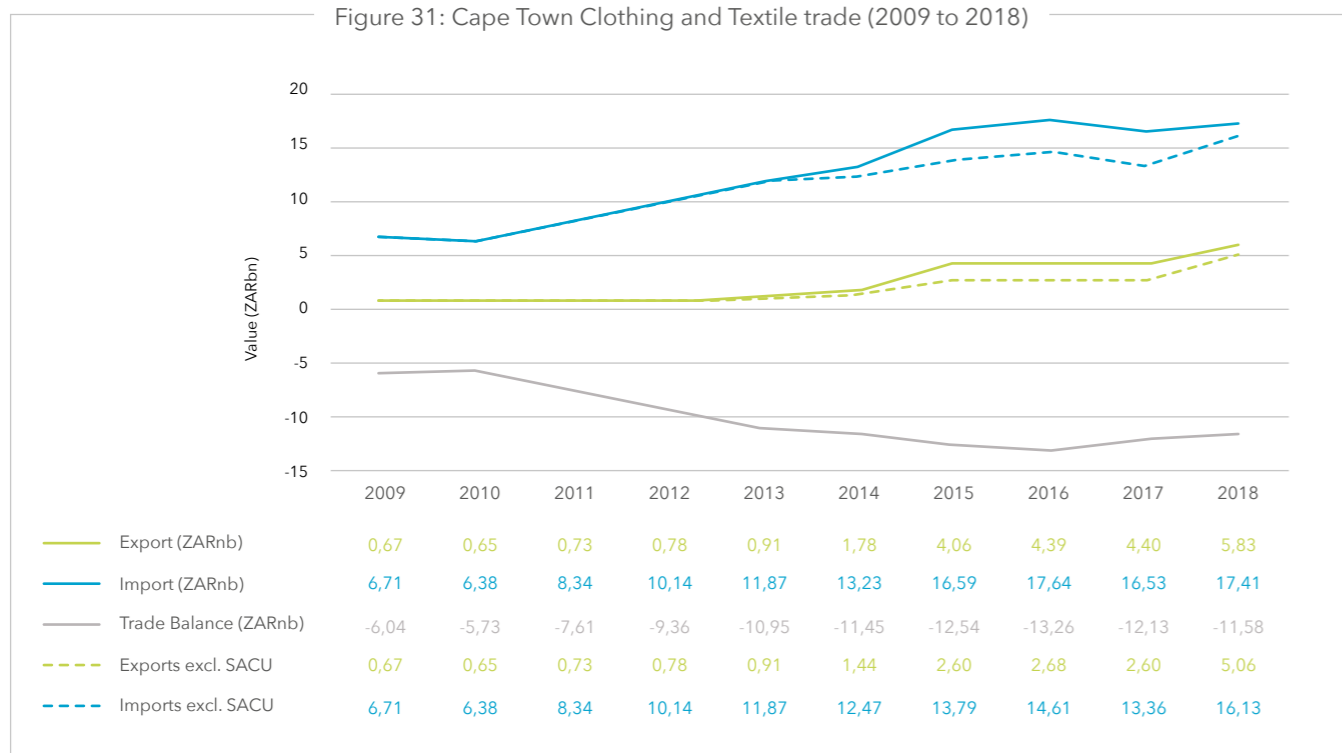
Cape Town's clothing and textile industry is well served by organisations such as the Cape Clothing and Textile Cluster, Clotex, and the Cape Town Fashion Council, which operate at different points in the value chain but share the common vision of seeing the growth of the clothing and textiles industry within the city. The strong coordination/collaboration in the industry's value chain and the presence of large and dynamic manufacturers in the city enable it to more easily adopt quick-response models than other regions in the country.

Key Indicator Table, 2018	
GVA / share of Cape Town GVA	R2 592 million / 1%
Location quotient	2,21
Ten-year FDI value (years)	R1 258 million
Ten-year GVA Growth contribution (2008-2018)	-0,5%
Employment	24 734
Export value	R3 540 million

Sources: IHS Markit (2019), FDI Intelligence (2019)

In terms of trade, Cape Town's clothing and textile industry imports more than its exports. Recent years have seen the sector struggle as the cheap imports from emerging countries with lower wage structures out-competed locally produced goods. However, fast fashion allows locally produced goods to be favored over cheap imports as consumers are able to purchase trendy items at a fast speed. There is also a growing interest and consciousness of consumers to buy locally produced goods creating new opportunities in the clothing and textile industry.

Figure 31: Cape Town Clothing and Textile trade (2009 to 2018)



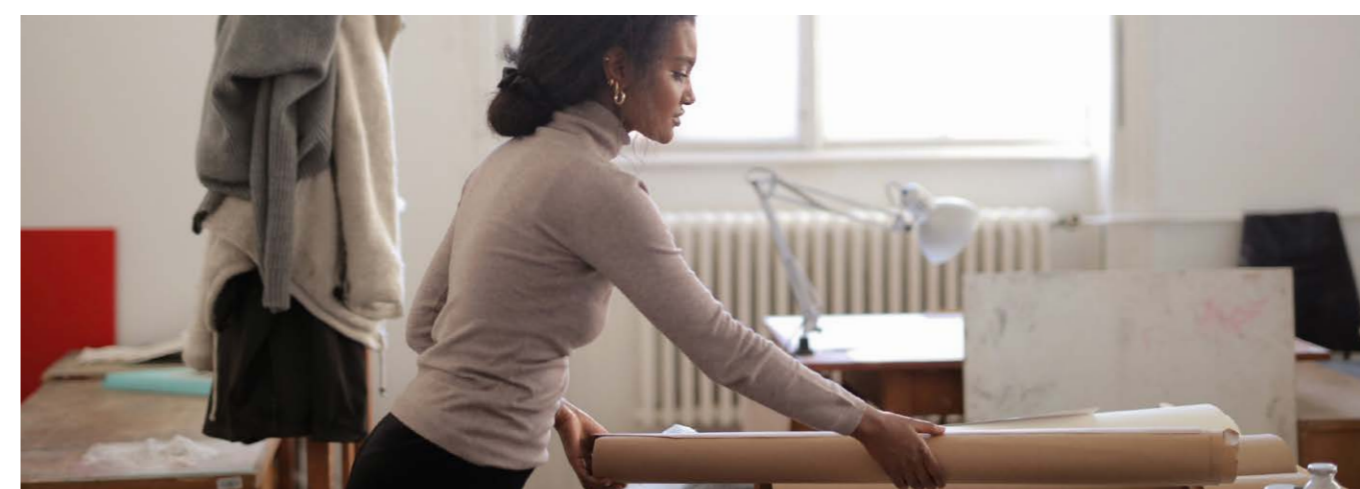
Source: Quantec (2019)

Note: the graph above includes footwear and excludes leather and fur products

The performance indicators for a sample of large clothing and textile manufacturers in the Western Cape (mainly from Cape Town) shown in the table below are evidence that the clothing and textiles industry has gained fresh growth impetus. The improvement in the process indicators in the latter part of the table go a long way toward explaining why companies in the sector have been able to expand sales and employment creation and reflect concerted effort by the private sector and government to upgrade the competitiveness of the industry's manufacturing capacity.

Performance of the Clothing & Textiles industry in Cape Town (2015-2018)					
	Unit	2015	2016	2017	2018
Sales	Indexed CPI adjusted manufacturing sales	116	127	127	134
Employment	Number (average)	310,0	334,	334	369
Quality	Internal rework/repair rate	4,5	4,9	4,0	3,9
Reliability	Customer OTIF* as a percentage	93,5	92	93,9	93,6
Labour Turnover	Labour turnover rate (excluding salaried staff)	9,0	8,3	5,6	6,3

*Note: OTIF (on-time and in-full) is a measure of the efficiency and accuracy of delivery in the supply chain
*note: average number of employees at CCTC member firms.



Business footprint in the Clothing & Textiles industry in Cape Town

Competitive Cluster	Example of major businesses
Wearing apparel (including Cut Make and Trim businesses)	Prestige, K-Way, Pep Clothing, Jacques Hau, Peter Blond, House of Monatic, GL Clothing
Manufacture of other textiles (blankets, carpets, tents, knitted fabrics)	Falke Eurosocks, Rotex Fabrics, Hextex, Waltex Carpets, Cotton Traders, Braitex Tensilon
Design Houses	YDE; Reliance Clothing
Retail	The Foschini Group, Woolworths, Truworths, Pep Stores, Cape Union Mart
Supporting bodies	Clotex, Cape Town Fashion Council, Cape Clothing and Textiles Cluster

Source: City of Cape Town using Who Owns Whom (2019)



Competitive advantages of the Clothing and Textiles industry in Cape Town

- Its' proximity in terms of the closeness of major retailers (with head offices in Cape Town) to local designers and manufacturers, creates a vertically integrated value chain which is better able to respond to fast changing fashion trends.
- There is a strong tradition of Cut-Make-Trim (CMT)-related skills (especially seamstresses) in Cape Town
- The ease of access to the port results in cheaper transportation costs for textile inputs.
- The sector is well-organised and supported through a number of government-funded sector bodies.
- The Department of Trade and Industry offers incentives and assistance through its Clothing and Textiles Competitiveness Programme and the Competitiveness Improvement Programme.
- Cape Town is a design hub, with many of the major fashion designers basing themselves in the city.

5

WORKING TOGETHER TO BUILD A RESILIENT INVESTMENT DESTINATION

The Cape Town Resilience Strategy was developed in the aftermath of the worst drought that the city-region has confronted in recorded history. Three years of dramatically low rainfall, exacerbated by climate change, presented the possibility of Cape Town running out of water. This episode severely tested the resilience of our city and its people. Through a comprehensive societal response, mainly due to the heroic efforts of households and businesses to reduce consumption, the worst-case scenario was avoided. The Strategy offers a roadmap for confronting the environmental, social and economic challenges of the 21st century. Like all major urban centres in the world, Cape Town is occasionally confronted by shock events such as drought, flooding and heatwaves, and lives with underlying chronic stresses such as poverty and unemployment which exacerbate the effects of shock events when they do occur.

What sets Cape Town apart from most other urban centres is that it is proactively confronting the challenges and opportunities of this period of immense global change including climate change, globalisation, rapid technological change and urbanisation. Cape Town is one of only four cities in Africa with a Resilience Strategy.

The cornerstone of building resilience is partnerships. In this regard Capetonians displayed high resilience capabilities in the way government, businesses, communities and households and Cape Town came together to survive and adapt to the recent drought shock. The Resilience Strategy leverages off of these capabilities of Capetonians to collectively prepare for other adverse events that may happen from time to time.

Cape Town is a city that learns from the past and prepares actively for the future.

[Download the Resilience Strategy here.](#)

6

REGULATIONS & LEGISLATION

South Africa actively encourages foreign investment in all sectors of the economy, and there are consequently few restrictions on investment. Factors which potential investors should take into account on exploring investment in the city include:

- **Company registration and administration**

The six principal methods of doing business in South Africa are registering as a;

- 1) Company (public or private) incorporated under the Companies Act 71 of 2008,
- 2) Personal Liability Company,
- 3) Partnership,
- 4) Business trust,
- 5) Sole Proprietorship, or
- 6) External Company (branch of a foreign company).

- **Duty Drawback Scheme**

Duty Drawback schemes provide refunds for import duties paid on the materials used in the production of goods that are exported. Drawbacks are administered by the International Trade Administration Commission of South Africa, and manufacturers may apply for refunds after the final product is exported.

- **Exchange and remittance of funds**

Exchange controls on South African residents are enforced by the South African Reserve Bank (SARB). Exchange controls are only exercised on residents and the transactions in foreign exchange entered in between non-residents and residents. There are no restrictions on foreign investors to acquire companies or businesses in South Africa, and additionally, the acquisition of shares or introduction of capital does not require SARB approval.

- **Land and buildings**

There is no restriction on foreign investors in acquiring property in the country. In order for foreign companies to acquire property, they must register as an external company in terms of the Companies Act 71 of 2008.

- **Employment and labour relations**

The employment sector within South Africa is regulated by statute, common law and contract. The main legislature regulating the employer/employee relationship can be found on the department of labour website <http://www.labour.gov.za/DOL/>

Foreigners must obtain a work permit before they are legally entitled to work in South Africa.

- **Taxation and Double Taxation Agreements**

South Africa has a highly regarded tax system that is over-seen by the South African Revenue Services. The tax system is a residence-based system. Concerning non-residents, they are taxed on their income sourced from South Africa. For a status overview of DTA's (Double Taxation Agreement) with other nations, visit: www.sars.gov.za

- **Access to Finance**

To open a bank account, foreigners must be in the possession of a valid work or residency permit. Additionally, by law banks have to request identity and a proof of residence. The limit placed on borrowing by foreign-owned companies is based on a pre-determined formula. Considering 100% foreign-owned companies, the local borrowing limit is 100% of the effective capital of the South African company.



7 ACCESS TO INTERNATIONAL MARKETS

South Africa's has signed multiple free-trade and bilateral agreements: Southern African Customs Union (SACU), Southern African Development Community (SADC) FTA, Africa Growth and Opportunity Act (AGOA) and the Economic Partnership Agreement (EPA). Available www.thedti.gov.za.

MAIN TRADE AGREEMENTS BETWEEN SOUTH AFRICA AND OTHER COUNTRIES				
Trade Agreement	Type of Agreement	Participating Nations	Main terms	Products Involved
Southern African Customs Union (SACU)	Customs Union	South Africa, Botswana, Lesotho, Namibia, Swaziland	SACU's objectives include to, inter alia, facilitate cross-border movement of goods between member states; promote integration of member states into the global economy through trade and investment.	Tariffs have largely been abolished on goods traded between member states, and a common external tariff is applied to imports from third country parties.
Southern African Development Community (SADC)	Free Trade Agreement (FTA)	Angola, Botswana, DRC, Lesotho, Madagascar, Malawi, Mozambique, Mauritius, Namibia, Seychelles, South Africa, Tanzania, Zambia, Zimbabwe and the Comoro.	Market integration accompanied by cross-border infrastructural Swaziland development and sectoral co-operation.	Most products
SACU - Economic Partnership Agreement (EPA)	Free Trade Agreement	Botswana, Lesotho, Mozambique, Namibia, South Africa and Eswatini. Angola has an option to join the agreement in future	EPA gives asymmetric access to the partners in the SADC-EPA group. The agreement also contains a chapter on sustainable development which covers social and environmental matters.	The EU guarantees Botswana, Lesotho, Mozambique, Namibia, and eSwatini 100% free access to its market and has also fully or partially removed customs duties on 98.7% of imports from South Africa.
SACU - Southern Common Market (Mercusor)	Preferential Trade Agreement (PTA) with the aim of becoming a customs union	SACU; and Brazil, Argentina, Paraguay and Uruguay	Promote bilateral trade flows by means of mutual concessions, tariff preferences and other agreed trade conditions by member states. The agreement also aims to strengthen cooperation in the areas of animal health and plant protection, standards, technical regulations and conformity assessment, food safety and mutual recognition of sanitary and phytosanitary measures.	About 1,000 product lines on each side of the border.

Trade Agreement	Type of Agreement	Participating Nations	Main terms	Products Involved
Tripartite Free Trade Agreement (T-FTA)	FTA	Member states of Southern African Development Community, East African Community and Common Market for Eastern & Southern Africa	A tripartite initiative: harmonisation of trade regimes, free movement of business persons, joint implementation of regional infrastructure projects and programmes, development of regional value chains and legal and institutional arrangements for regional cooperation among the 26 member states.	Phase 1 covers only trade in goods and core areas necessary to support that.
Generalized System of Preferences (GSP)	Unilateral preferences granted under the enabling clause of the World Trade Organization	South Africa - EU, Norway, Switzerland, Russia, Turkey, US, Canada and Japan	A non-reciprocal trade agreement. Preferential market access was granted to South Africa as it is a developing country.	In the HTSUS, GSP-eligible products are identified by a Special Program Indicator (SPI). The SPI code "A" in the "Special" tariff column next to an HTSUS subheading identifies that the product is GSP-eligible for all BDCs. The code "A+" indicates that the product is eligible only from least-developed BDCs. The code "A*" identifies that the product is not eligible to be imported under the program from one or more BDCs. The SPI must be indicated on the appropriate CBP forms when importers claim duty-free status.
African Continental Free Agreement Area	FTA	To date the agreement has been ratified by 28 countries.	Create a single continental market for goods and services, with free movement of business persons and investments, and thus pave the way for accelerating the establishment of the Customs Union.	Not yet operational as a tariff
Legislation Africa Growth and Opportunity Act (AGOA)	Part of Trade and Development Act (2000)	US, 39 sub-Saharan African countries (South Africa included)	Provides duty-free access to 98% of US imports for AGOA members.	Over 7,000 products are covered.

In addition, South Africa signed DTA with a number of countries to eliminate double taxation. For a list of the double taxation agreements please see the link below: <http://www.sars.gov.za/AllDocs/LegalDoclib/Agreements/LAPD-IntA-DTA-2013-01%20-%20Status%20Overview%20of%20All%20DTAs%20and%20Protocols.pdf>





8 KEY INCENTIVES



Cape Town aims to position itself as a globally competitive city and considering that numerous cities across the globe utilise incentives to attract investment, the City of Cape Town offers a suite of incentives for new investment and the expansion of existing investment in its key industries and spatial nodes.

Incentive schemes	Focus of scheme	Nature of incentives
1 Urban Development Zone (UDZ) tax incentive	To encourage private sector-led residential and commercial development in inner-city areas with developed public transport facilities.	The Urban Development Zone (UDZ) is a tax incentive administered by SARS. The UDZ allows businesses which fall within its area (the demarcations of which are determined by the City) to benefit from significant tax savings for building development.
2 City of Cape Town Investment Incentives	To stimulate job creating investment in either the manufacturing sector or prioritized tertiary sector industries in Cape Town. Eligibility for the City's investment incentives depends on investors meeting certain pre-defined criteria as spelt out in the Investment Incentives Policy.	<p>Non-financial incentives include:</p> <ul style="list-style-type: none"> Fast-tracked development applications A dedicated investment facilitation service <p>Financial incentives include:</p> <ul style="list-style-type: none"> Development application fee waivers Reduced development charges Special electricity tariff

The City Council approved the extension of investment incentives in October 2019 to six of Cape Town's industrial areas, namely:

- Atlantis Industria;
- Triangle Farm/Stikland;
- Parow Industria;
- Sacks Circle;
- Lansdowne Industrial; and
- Elsies River

The national Department of Trade and Industry (the dti), in collaboration with other public and private sector entities have also developed a number incentive schemes to assist with the growth of certain sectors. These national incentives schemes are listed below.

Incentive scheme	Focus of scheme
1 Black Industrialist Scheme (BIS)	The scheme seeks to accelerate the quantitative and qualitative increase and participation of Black Industrialists in the national economy, selected industrial sectors and value chains, as reflected by their contribution to growth, investment, exports and employment.
2 Sector Specific Assistance Scheme (SSAS)	Non-profit business organizations in sectors and sub-sectors of industries prioritized by the dti.
3 Clothing and Textile Competitiveness Improvement Programme (CTCIP)	Manufacturers and other areas of the apparel value chain in South Africa.
4 Support Programme for Industrial Innovation (SPII)	Personnel Related Costs; Travel Expenses; Direct Material; Capital Items and Tooling; Software; Documentation; Testing and Trials; Licensing Costs; Quality Assurance and Certification; Patent Costs; and Subcontracting and Consulting.
5	
6 Manufacturing Investment Programme (MIP)	Local and foreign-owned manufacturers who wish to establish a new production facility; expand an existing production facility; or upgrade an existing facility in the clothing and textiles sector.
7 12i Tax Incentive	Improvement of capital stock in manufacturing sector including tobacco, alcoholic beverages, arms and ammunition, etc.
8 Automotive Investment Scheme (AIS)	Automotive sector through investment in new and/or replacement models and components.
9 People-carrier Automotive Investment Scheme (P-AIS)	People-carrier vehicles through investment in new and/or replacement models and components.
10 Critical Infrastructure Programme (CIP)	Transport systems, Electricity and distribution systems, Telecommunications systems, Transmission systems, Sewage systems, Waste storage, disposal and treatment systems, Fuel supply systems.
11 Aquaculture Development and Enhancement Programme (ADEP)	Stimulation of investment in aquaculture to increase production, create jobs, encourage geographical spread and broaden participation.
12 Business Growth Services	Create employment through offshore servicing.
South Africa Film and Television Production and Co-production Incentive	Feature films, Telemovies, Television drama series or miniseries, Documentary or documentary miniseries, or documentary feature, Animation, Digital content and Video gaming.
13 Foreign Film and Television production and Post-production Incentive	Large-budget films and television productions and post-production work.
14 The Location Film and Television Production Incentive	Attract big-budget overseas film and television productions.

Source: the dti, 2019



"I am proud that these incentives add another real mechanism to ensure Cape Town remains regionally and globally competitive, can attract more investment and increase job creation in the metro."

Ald James Vos, Mayoral Committee Member for Economic Opportunities and Asset Management



9 KEY CONTACTS



The table below shows contacts for the respective sectors (please note the list does not show all possible contacts).

General Contacts			
Organization	Website	E-mail	Contact Number
City of Cape Town	www.investcapetown.com	info@investcapetown.com	+27 (0) 21 417 4043
Wesgro	www.wesgro.co.za	info@wesgro.co.za	+27 (0)21 487 8600
The Business Hub	www.capetown.gov.za/businesshub	business.support@capetown.gov.za	+27(0)21 417 4043
Investment Facilitation Office	www.capetown.gov.za/businesshub	Business.Support@capetown.gov.za	+27 (0) 21 444 2830
BPO			
Business Process Enabling South Africa (BPesa)	www.bpesa.org.za	info@bpesa.org.za	+27 (0)71 838 5309
Financial Services			
Financial Services Board	www.fsb.co.za	info@fsb.co.za	+27 (0)12 428 8000
South African Reserve Bank	www.reservebank.co.za	info@reservebank.co.za	+27 (0) 12 3133911
SA Financial Sector Forum	www.finforum.co.za	info@finforum.co.za	+27 (0) 21 4816700
The Banking Association of South Africa	http://www.banking.org.za	webmaster@banking.org.za	+27 (11) 645 6700
Business services			
Cape Chamber of Commerce	www.capetownchamber.com	info@capechamber.co.za	+27 (0)21 402 4300
Cape Innovation and Technology Initiative	http://www.citi.org.za/	reception@bwb.org.za	+27 (21) 409 7000
Food and Beverages			
Western Cape Department of Agriculture	www.elsenburg.com	wouter.kriel@westerncape.gov.za	+27 (0)21 808 5111
Wines of South Africa	www.wosa.co.za	info@wosa.co.za	+27 (0) 21 883 3860
Agri-SA	http://www.agrisa.co.za/	agrisa@agrisa.co.za	+ 27 (0) 12 643 3400
HORTGRO	http://www.hortgro.co.za/	info@hortgro.co.za	+27 (0) 21 870 2900
Wesgro	www.wesgro.co.za	info@wesgro.co.za	+27 (0)21 487 8600
Western Cape Aquaculture Development Initiative	-	edward.wcadi@telkomsa.net	+27 (0)21 424 2572
Aquaculture Association of SA	www.aasa-aqua.co.za	Info@aasa-aqua.co.za	+27 21 871 1308
SAFVCA. South African Fruit & Vegetable Canners Association	www.safvca.co.za	info@safvca.co.za	
Renewable Energy			
Transnet Commercial	www.transnet.co.za	enquiries@transnet.net	+27 (0)11 308 3929
Green-Cape	www.green-cape.co.za	-	+27 (0) 21 811 0250

Organization	Website	E-mail	Contact Number
Film & Multimedia			
National Film and Video Foundation	www.nvff.co.za	info@nvff.co.za	+27 (0)11 483 0880
Commercial Producers' Association (CPA)	www.cpasa.tv	bobby@cpasa.tv	+27 (0) 11 673 6809
South African Association of Stills Producers (SAASP)	www.saasp.co.za	rudi@saasp.co.za	+27 (0) 28 423 3595
The Documentary Film Makers Association (DFA)	www.docfilmsa.com	info@docfilmsa.com	+27 (11) 888 4349
Make Games South Africa	www.makegamesa.com	admin@makegamesa.com	+27 (0) 82 675 3372
Writers' Guild of South Africa (WGSA)	www.writersguildsa.org	admin@writersguildsa.org	+27 (0) 11 888 4349
The Independent Producers Organization (IPO)	www.ipo.org.za	communications@ipo.org.za	+27 011 799 2200
The DTI	www.thedti.gov.za	contactus@thedti.gov.za	+27 (12) 394 9500
Animations South Africa (ASA)	www.animationsa.org	info@animationsa.org	See website for sector
National Association of Model Agencies (NAMA)	www.nama.co.za	http://www.nama.co.za/contact.html	See website for sector
South African Screen Federation (SASFED)	www.sasfed.org	info@sasfed.org	+27 (0) 83-901-2000
Interactive Entertainment SA (IESA)	www.iesa.org.za	nickhall@iesa.org.za	+27 (0) 82 675 3372
South African Guild of Editors	www.editorsguildsa.org	info@editorsguildsa.org	+27 82 255 8077
Personal Managers' Association	www.thepma.co.za	http://www.thepma.co.za/contact	See website for sector
Electronics			
Cape Chamber of Commerce	www.capetownchamber.com	info@capechamber.co.za	+27 (0)21 402 4300
Metal and Engineering Industries Bargaining Council	www.meibc.co.za	ceo@meibc.co.za	+27 (0)21 421 6140
South Africa Institute of Electrical Engineers	http://www.saiee.org.za/	info@saiee.org.za	+27(0)11 487 3003
Tourism			
Cape Town Tourism	www.capetown.travel	info@capetown.travel	+27 (0)21 487 6800
Tourism Business Council South Africa	www.tbcsa.travel	-	+27(0)12 654 7525
Clothing and Textiles			
Cape Clothing and Textile Cluster	www.capeclothingcluster.org.za/	http://capeclothingcluster.org.za/contact/	+27 (0) 21 552 0240
Western Cape Clothing and Textile Service Centre	https://clotex.co.za/	info@clotex.co.za	(+27) 021 637 3648

Notes:



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