

# Cape Winelands

## October 2021

### Executive Summary

This destination fact sheet provides key trade and investment related statistics for the Cape Winelands district. Specifically, it shows the Cape Winelands area, employment, trade, and investment trends with the rest of the world. The key highlights are provided below:

### Economy

- The Cape Winelands GDP grew from ZAR38.65bn in 2010 to ZAR42.49bn in 2020.
- The Drakenstein municipality was the largest contributor to the Cape Winelands district GDP in 2020, at a contribution of ZAR13.78bn.
- The wholesale and retail trade, catering and accommodation sector was the largest employer in the said district in 2020, employing 85, 479 people.
- In 2020, the finance, insurance, real estate, and business services sector was the largest contributor to the Cape Winelands GDP, accounting for 26.19% of economic output.
- The food, beverages and tobacco sub-sector were the largest contributor to the Cape Winelands manufacturing sector in 2020, with a market share of 40%.
- The business services sub-sector was the largest contributor to the Cape Winelands services sector, accounting for 28%.

### Trade

- In 2020 the Cape Winelands was a net exporter of goods. The region exported goods to the value of ZAR36.03bn and imported goods valued at a ZAR13.71bn, resulting in a trade surplus of ZAR22.32bn.
- The Netherlands was the largest destination market for the Cape Winelands exports at a value of ZAR6.01bn, equivalent to 16.67% of total exports in 2020.
- The leading source market for the Cape Winelands imports was China at an associated cost of ZAR5,168.50m, equivalent to 37.70% of total imports in 2020.
- With export earnings of ZAR7,367.85m, wine was the leading export product from the Cape Winelands in 2020, accounting for 20.45% of total exports. Citrus fruit, and grapes ranked second and third, accounting for 20.08% (ZAR7,235.00m), and 13.02% (ZAR4,692.33m) of total export earnings, respectively.

### Investment

- According to FDI markets, the Cape Winelands attracted 14 FDI projects valued at ZAR4.87bn between January 2003 and July 2021.
- Between January 2003 and July 2020, 24 FDI outward projects were recorded from the Cape Winelands, with a cumulative value of ZAR9.81bn.

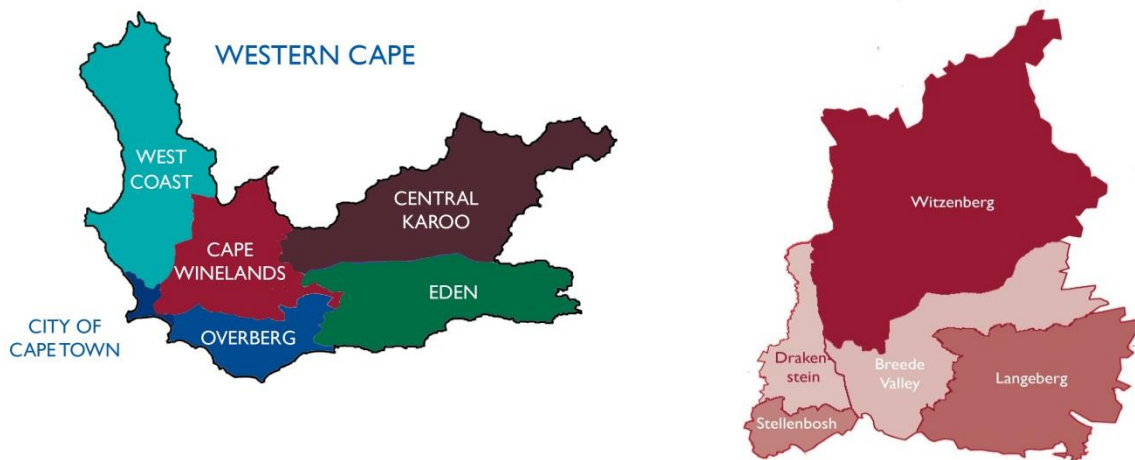
### Tourism

- The top five international markets who responded to the surveys at the respective Cape Winelands Visitor Information Centres (VICs) were led by the United Kingdom (28.57%), Germany (25.00%), France (14.29%) and Belgium (5,6%). The Western Cape (84.75%) continues to lead as the dominant domestic source market for the Cape Winelands. The region is very popular amongst the local Western Cape travellers, largely due to its proximity to Cape Town. Gauteng and KwaZulu-Natal are the second and third most prominent domestic source markets to the region.

## 1. Area

The Cape Winelands district, formerly known as the Boland district, is situated next to the Cape Metropolitan area and is landlocked between the neighbouring Cape West Coast and Cape Overberg regions. The district also shares its northern border with the Northern Cape province. The Cape Winelands area is one of the pearls of South Africa's rural and small-town regions, but disparate with a relatively high and diverse level of development. The region is renowned as the culinary capital of South Africa and is home to the finest wines and locally produced cheeses, olives and export quality fruit and organic produce.

The Cape Winelands district is situated in the Western Cape and is one of six districts in the province. The district has five local municipalities: Stellenbosch, Drakenstein, Witzenberg, Breede Valley and Langeberg. Major towns include Ceres, Franschhoek, Paarl, Robertson, Stellenbosch, and Worcester. The region is large, comprising an area over 21, 473 km<sup>2</sup>, with a population of 941, 262 people.



## 2. General Information

The table below shows the key indicators for the Cape Winelands district.

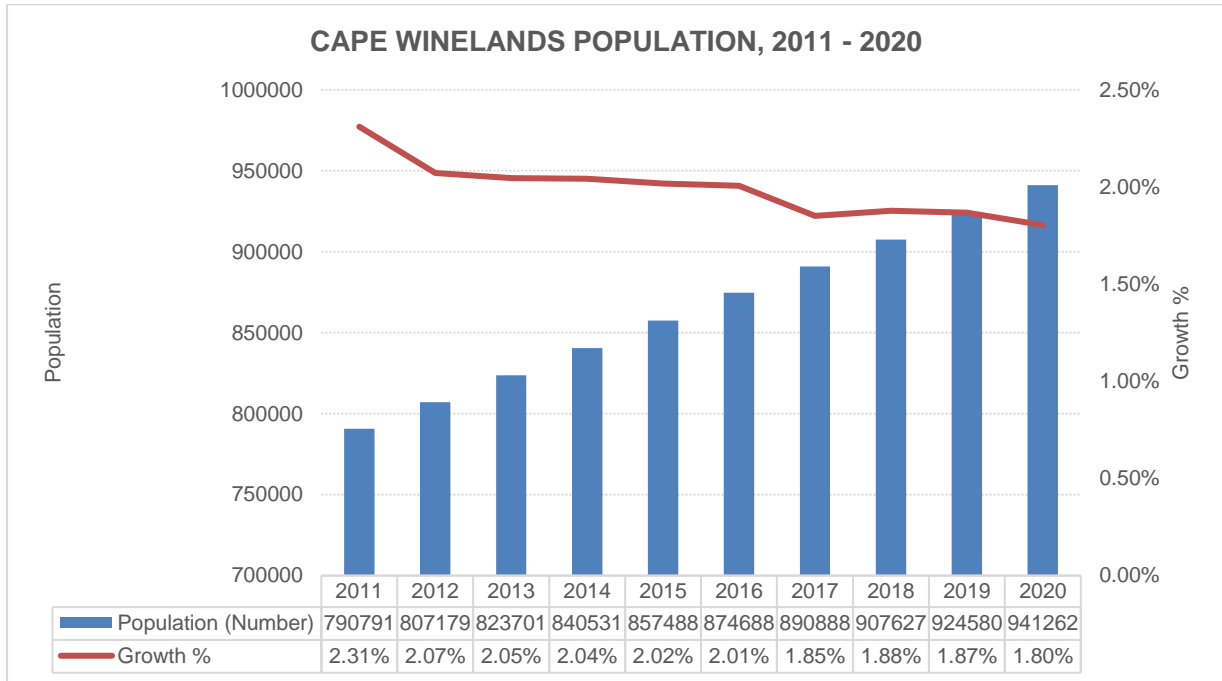
CAPE WINELANDS KEY INDICATORS	
Executive Mayor	Alderman Dr H von Schilcht
Population (2020)	941, 262
Population Density (2020)	43.8/km <sup>2</sup>
GDP (2020)	ZAR42.49bn
GDP Growth (2020)	-5.46%
Literacy rate (2020) <sup>1</sup>	59.7%
Unemployment rate (2019)	10,76%
Ethnic groups (2020)	Coloured (61.98%), Black African (27.84%), White (9.81%) & Indian or Asian (0.37%)
Languages (Census 2011)	Afrikaans (74.8%), Xhosa (16.6%), English (4.3%), Sotho (1.9%) & Other (2.4%)
Gini Coefficient (2019)	0.6
Human Development Index (2020 HDI)	0.76

Source: Quantec, 2021; Stats SA, 2021

<sup>1</sup> The literacy rate is used to indicate a minimum education level attained. A simple definition of literacy is the ability to read and write, but the strict definition is interpreted as the successful completion of a minimum of 7 years of formal education.

## 2.1 Demographics

With a population of 941, 262 in 2020 the Cape Winelands municipal area was the second most populous district municipality in the Western Cape after the City of Cape Town. The district accounted for 13.44% of the Western Cape's population in 2020. The Cape Winelands population is estimated to have grown by an annual average growth rate of 2.0% between 2011 and 2020.



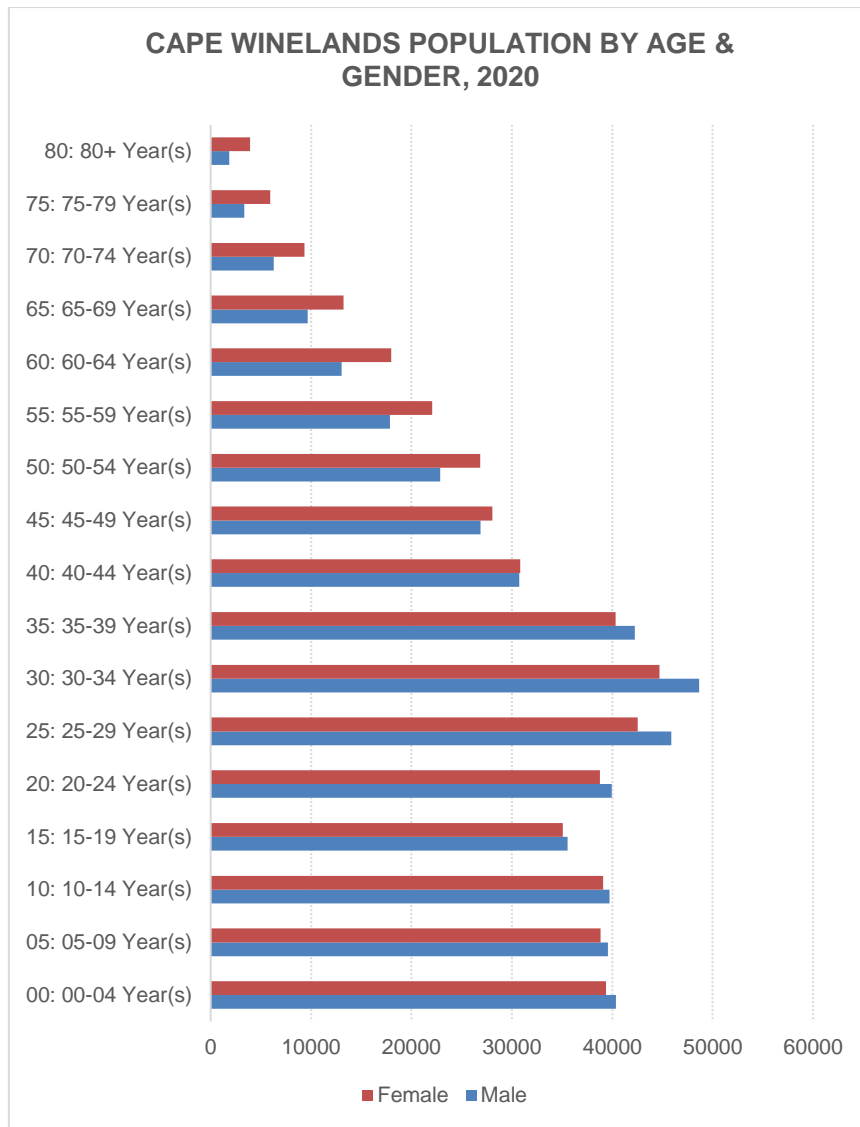
Source: Quantec, 2021

The table below shows the breakdown of the Cape Winelands population by racial groups. In 2020, the Coloured population represented the largest race group, accounting for 61.98%, followed by the Black African population, and White population, which accounted for 27.84% and 9.81%, respectively.

CAPE WINELANDS POPULATION BREAKDOWN, BY GROUP (2020)				
GROUP	2019	2020	% SHARE 2020	2019 - 2020 CHANGE
Coloured	573 551	583 394	61.98%	1.72%
Black African	254 812	262 041	27.84%	2.84%
White	92 806	92 332	9.81%	-0.51%
Asian/Indian	3412	3496	0.37%	2.47%
<b>TOTAL</b>	<b>924 580</b>	<b>941 262</b>	<b>100.00%</b>	<b>1.80%</b>

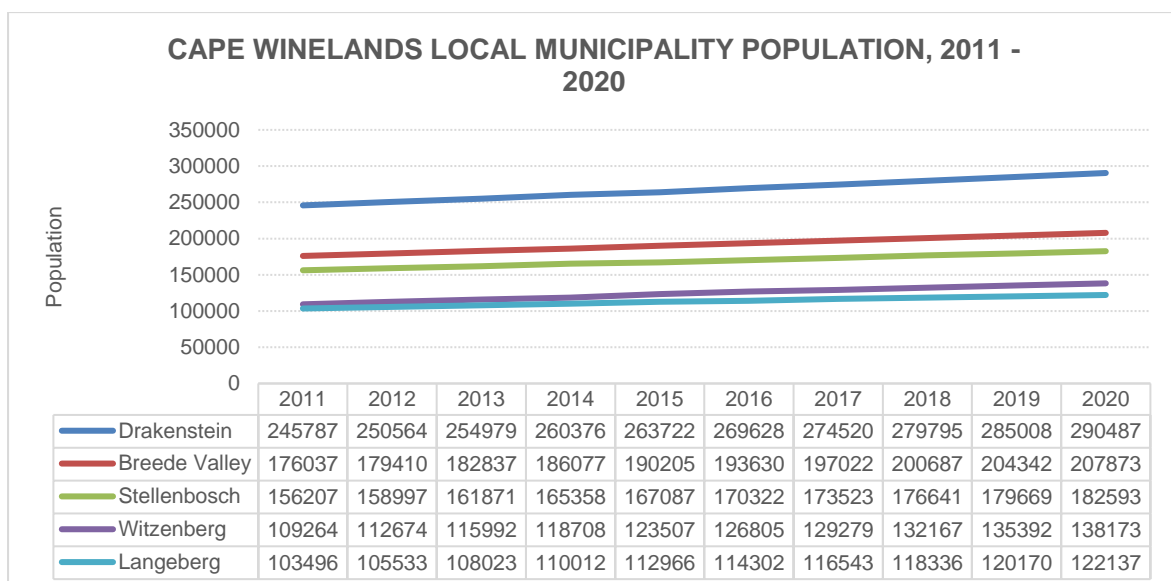
Source: Quantec, 2021

The graph below shows the population of the Cape Winelands district according to gender and age for 2020. According to the data, most of the population is young, and the size of the cohorts tend to decrease the older the age group becomes.



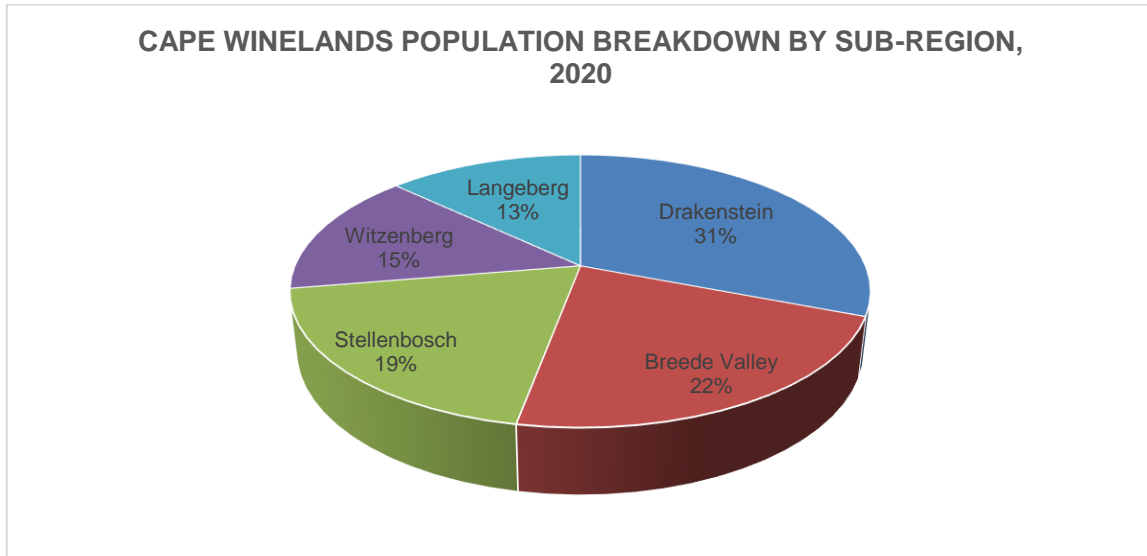
Source: Quantec, 2021

The figure below shows the Cape Winelands population for the period of 2011 to 2020. The Drakenstein and Breede Valley municipalities ranked as the two most populous local municipalities over the said period.



Source: Quantec, 2020

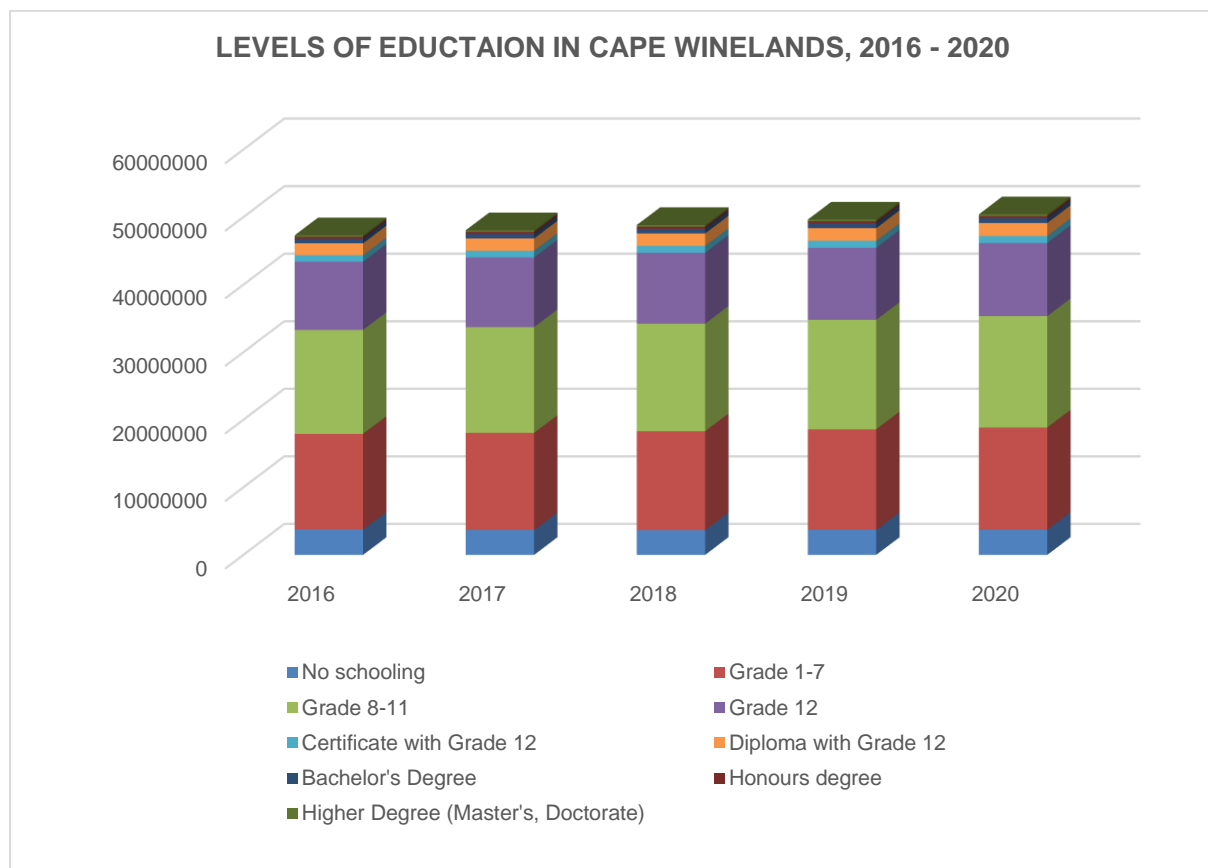
The pie chart below shows the sub-regional breakdown of the Cape Winelands population in 2020. As noted above, the largest proportion of the population live in the Drakenstein municipality (290, 487 people), followed by Breede Valley (207, 873 people), and Stellenbosch (182, 593 people).



Source: Quantec, 2020

Education levels have a direct link to economic development and quality of life enjoyed by the residents of a particular area. This is because education levels influence the skills profile and the employability and innovation of a population.

Around 19% of Cape Winelands population was recorded to have matric (Grade 12) in 2020. The percentage of the population with no schooling totalled 6% in 2020. Those with bachelors, masters and higher education degrees only made up 2%.



Source: Quantec, 2021

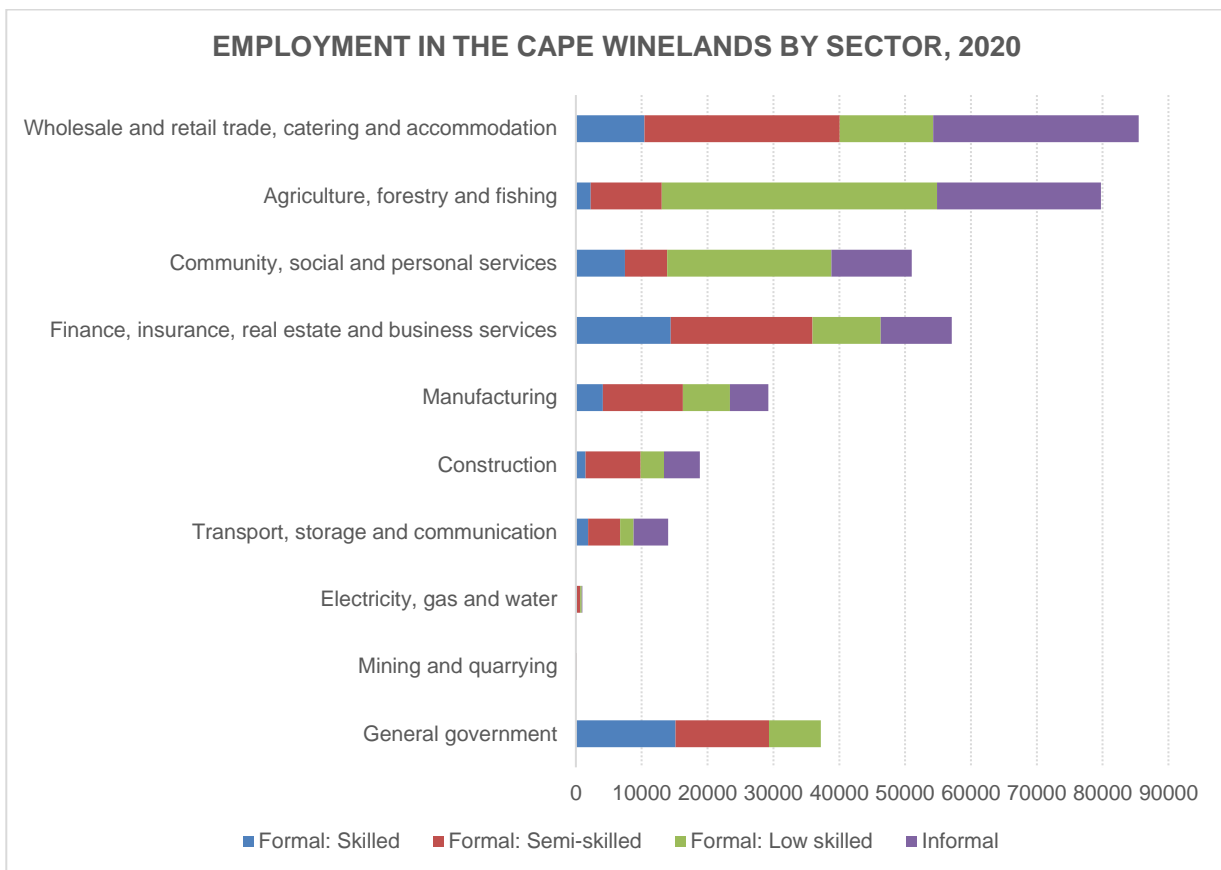
## 2.2 Employment

The table below provides a snapshot of indicators of employment in the Cape Winelands in 2020. The Cape Winelands unemployment rate is estimated to be 10.76%, which is significantly lower than the national average of 27.13%. Drakenstein municipality had the highest unemployment rate (14.05%), while Witzenberg had the lowest employment rate at 6.91%.

EMPLOYMENT INDICATORS CAPE WINELANDS, 2020	
Population aged 15-64 years (2020)	650, 709
Labour force participation rate (2020)	63.45%
Employed (2020)	373, 684
Unemployed (2020)	45, 075
Not economically active (2020)	231, 950
Unemployment rate (2020)	10.76%

Source: Quantec, 2021

The graph below provides an overview of employment by economic sector in the Cape Winelands in 2020. In terms of total (formal and informal) employment, the top sectors were wholesale and retail trade, catering and accommodation, followed by agriculture, forestry and fishing. The general government sector employed the largest number of highly skilled people (15, 128).



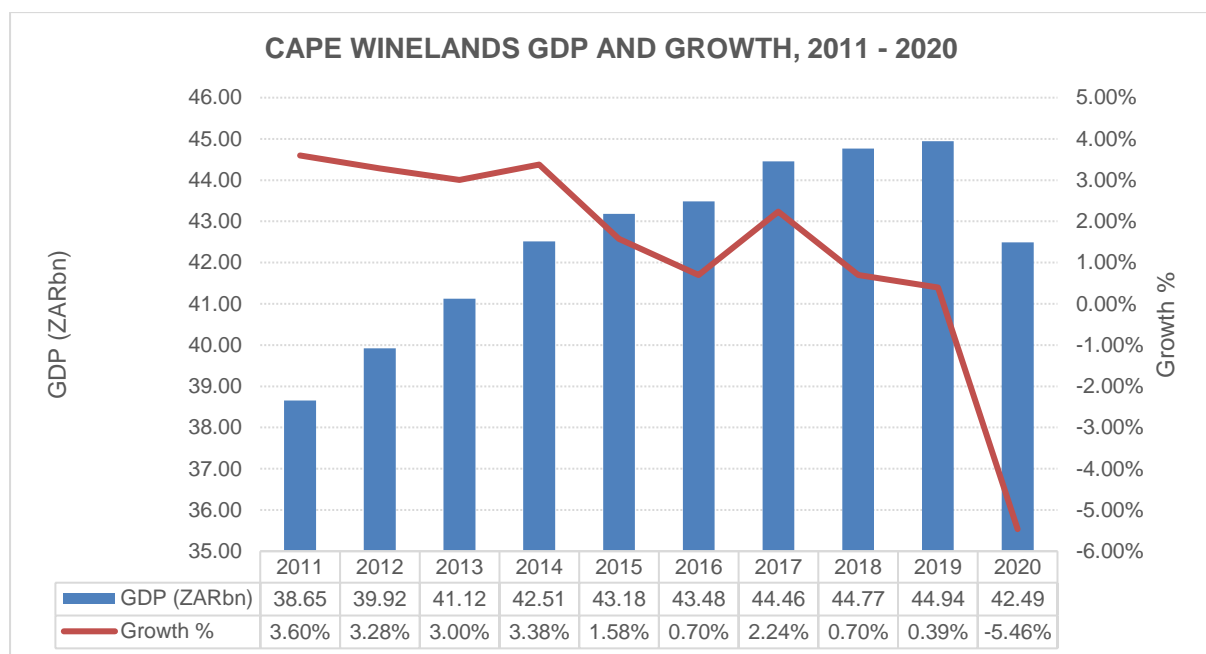
Source: Quantec, 2021

### 3. Economic Overview

Agriculture forms the backbone of the Cape Winelands district economy, with approximately 80,000 hectares of cultivated and irrigated areas dedicated to the production of mostly deciduous fruit (apricots, nectarines, pears, and apples), table grapes, wine grapes, and vegetables. Leading agricultural contributions to the district economy originate from the Witzenberg and Drakenstein municipalities.

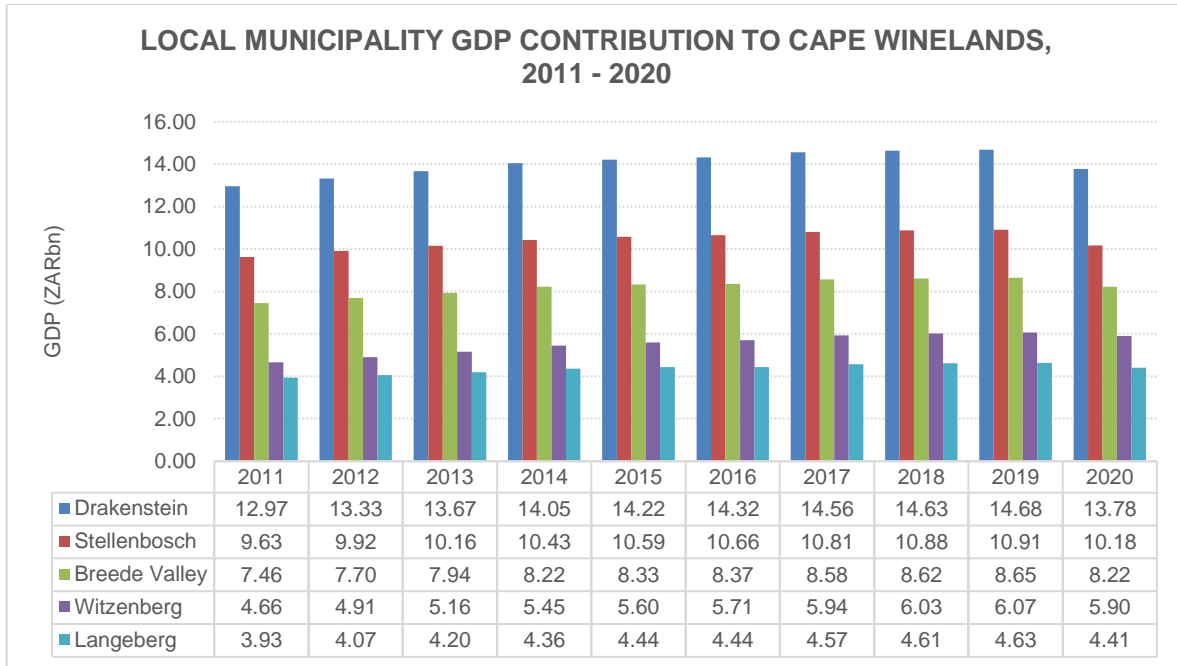
Nearly 70% of South Africa’s wine comes from the Cape Winelands. A good percentage of this wine is exported and the wine estates themselves attract tourists with wine tasting and restaurants. More than one-third (40%) of the Western Cape’s agricultural exports originate in the Cape Winelands. Manufacturing is mainly concentrated on the of processing grapes and fruit into wine, juice, brandy, as well as dried and tinned fruit products. Dairy manufacturing, rose farming, and thoroughbred horse breeding are also present in the region.

Over the reviewed 10-year period the Cape Winelands had an average GDP growth of 1.34%. The district's GDP declined by 5.46% y-o-y from ZAR44.94bn in 2019 to ZAR42.49bn in 2020.



Source: Quantec, 2020

The figure below shows the contribution share of Cape Winelands local municipalities to regional GDP for the period 2011 to 2020. The Drakenstein municipality was the largest contributor to the district's GDP in 2020, at a value of at ZAR13.78bn. Stellenbosch and the Breede Valley were the second and third largest contributors to the Cape Winelands district's GDP, at a value of at ZAR10.18bn and ZAR8.22bn, respectively.



Source: Quantec, 2021

The composition of the Cape Winelands economy in terms of GDP has not changed over the past five years. The finance, insurance, real estate, and business services sector was the largest GDP contributor, with a market share of 26.19%. This was followed by the wholesale and retail trade and catering and accommodation sector (16.95%). The manufacturing sector was in third place with a market share of 14.05%.

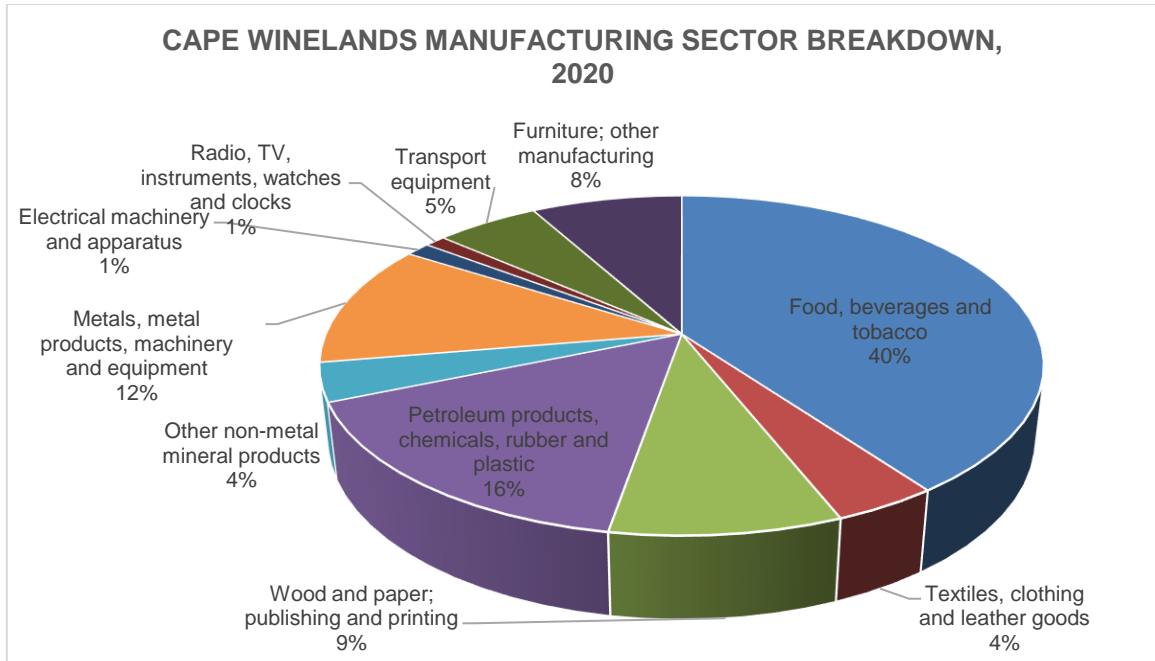
CAPE WINELANDS GDP BY SECTOR, 2016-2020						
SECTOR	VALUE 2016 ZARbn	VALUE 2017 ZARbn	VALUE 2018 ZARbn	VALUE 2019 ZARbn	VALUE 2020 ZARbn	% SHARE OF CW GDP, 2020
Finance, insurance, real estate, and business services	10.33	10.71	11.05	11.44	11.13	26.19%
Wholesale and retail trade, catering, and accommodation	7.66	7.72	7.86	7.96	7.20	16.95%
Manufacturing	6.81	6.75	6.76	6.69	5.97	14.05%
Agriculture, forestry, and fishing	4.27	4.68	4.34	3.99	4.44	10.46%
General government	4.33	4.30	4.33	4.39	4.41	10.37%
Community, social and personal services	3.33	3.40	3.45	3.50	3.43	8.08%
Transport, storage, and communication	3.76	3.85	3.95	3.97	3.40	8.01%
Construction	2.26	2.29	2.28	2.24	1.80	4.24%
Electricity, gas, and water	0.65	0.66	0.67	0.67	0.63	1.49%
Mining and quarrying	0.08	0.08	0.08	0.08	0.06	0.15%
<b>TOTAL</b>	<b>43.48</b>	<b>44.46</b>	<b>44.77</b>	<b>44.94</b>	<b>42.49</b>	<b>100.00%</b>

Source: Quantec, 2020

The figure below shows the contribution share of the Cape Winelands manufacturing sub-sectors to the district's GDP for 2020. The figure shows that:

- The food, beverages and tobacco sub-sector were the largest contributor to the Cape Winelands manufacturing sector, accounting for 40%; followed by
- The petroleum products, chemicals, rubber, and plastic sub-sector accounting for 16%; and
- The metals, metal products, machinery and equipment sub-sector, accounting for 12%.

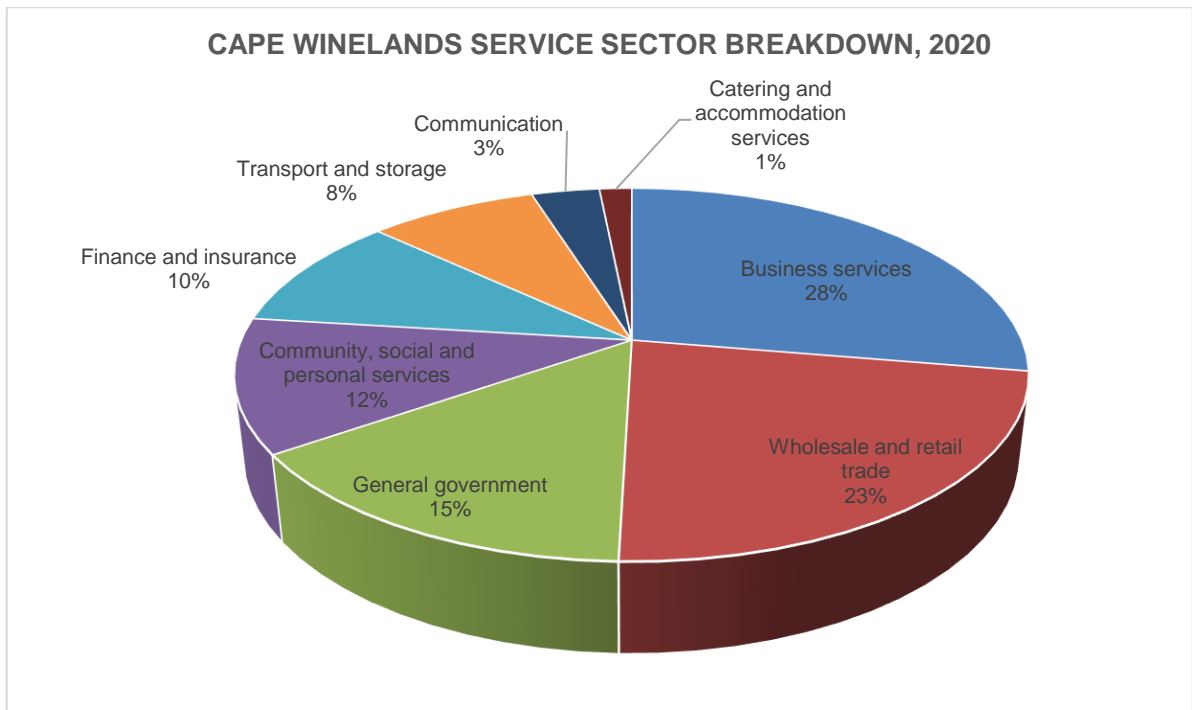




Source: Quantec, 2021

The figure below shows the contribution share of the services sub-sectors to the Cape Winelands services sector for the period 2020. The figure shows that:

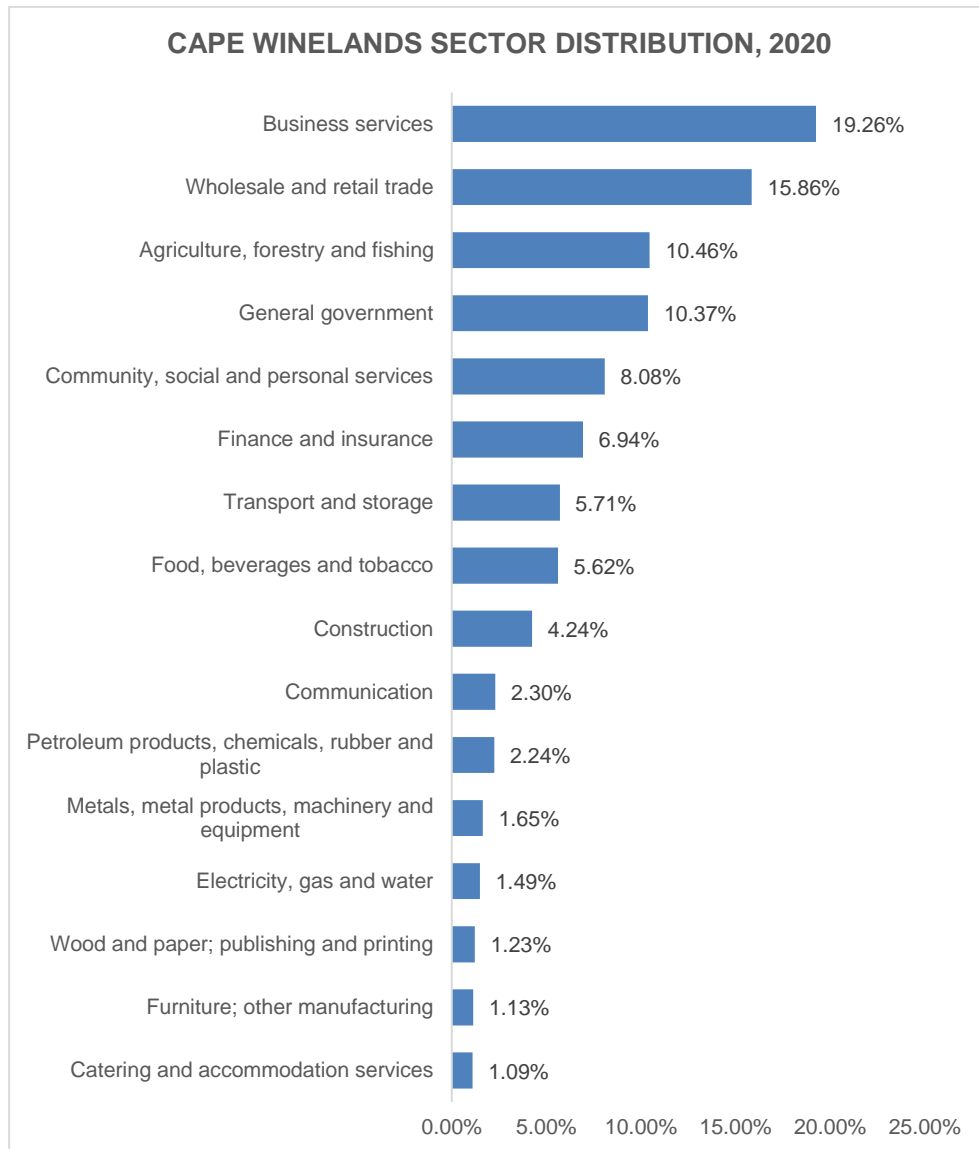
- The business services sub-sector was the largest contributor to the Cape Winelands services sector, accounting for 28%; followed by,
- Wholesale and retail trade sub-sector, accounting for 23%; and
- General government services sector, accounting for 15%.



Source: Quantec, 2021

## Sector Distribution

For contribution to GDP by sub-sectors in 2020, business services were the biggest contributor, accounting for 20% of output. This was followed by wholesale and retail trade at 16%, and agriculture, forestry, and fishing at 10%.

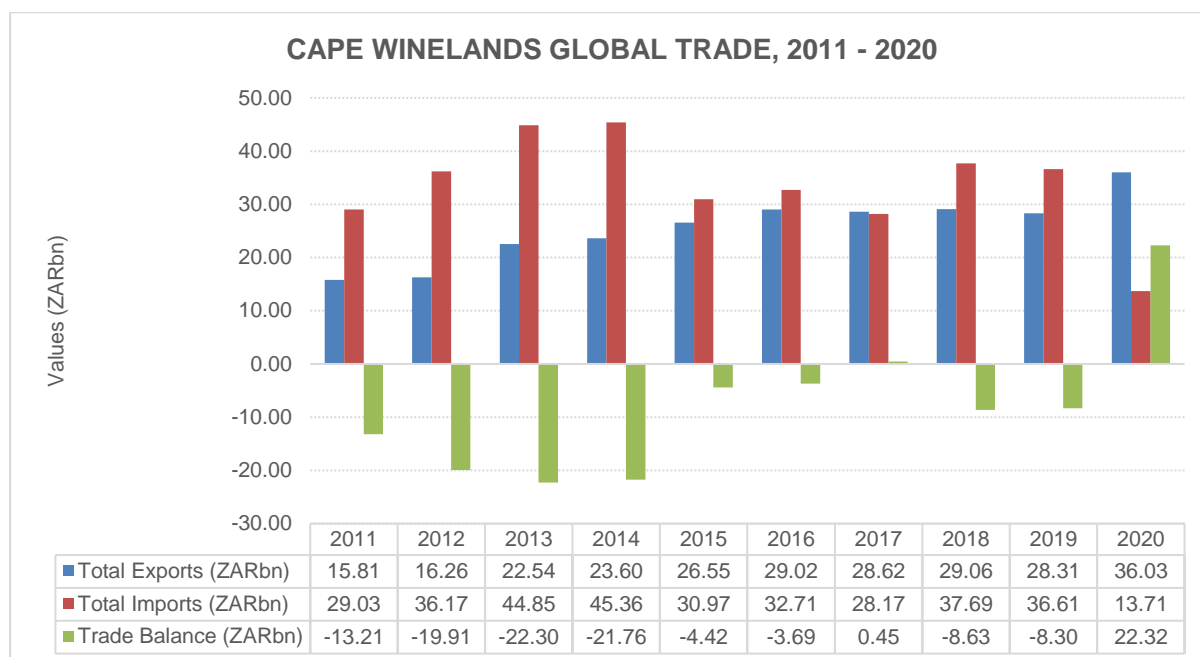


Source: Quantec, 2021

## 4. Trade

The figure below shows the Cape Winelands global trade for the period 2011 to 2020. The said district exported goods to the value of ZAR36.03bn in 2020 compared to ZAR28.31 bn in 2019, representing an increase of 27.26%.

Imported goods were valued at ZAR13.71bn in 2020 compared to ZAR36.61bn in 2019, representing a decline of 62.55%. The decline in import costs can be attributed to a decrease in import of petroleum oils, from a total cost of ZAR18.25bn in 2019 to ZAR1.72bn in 2020. Petroleum oil imports declined due to a decrease in global oil demand in 2020, as COVID-19 constricted travel and broader economic activity (International Energy Agency, 2021).



Source: Quantec, 2021

The Netherlands was the largest export market for the Cape Winelands in 2020, accounting for 16.67% of total exports, with a value of ZAR6.01bn. The Netherlands top imports from the Cape Winelands in 2020 were grapes, citrus fruit, and wine. The United Kingdom and the United States placed as the second and third most important export markets, at ZAR5.30bn and ZAR1.80bn, respectively.

TOP 10 DESTINATION MARKETS FOR CAPE WINELANDS EXPORTS, 2020				
RANK	DESTINATION MARKETS	VALUE 2020 (ZARbn)	% SHARE 2020	GROWTH RATE (2019-2020)
1	Netherlands	6.01	16.67%	16.02%
2	United Kingdom	5.30	14.70%	14.65%
3	United States	1.80	5.00%	17.11%
4	Germany	1.72	4.78%	2.17%
5	United Arab Emirates	1.61	4.46%	12.40%
6	Russian Federation	1.49	4.13%	9.94%
7	Namibia	1.47	4.07%	-6.38%
8	Canada	1.38	3.82%	11.81%
9	China	1.06	2.94%	6.84%
10	Botswana	0.74	2.07%	-2.32%
<b>TOTAL EXPORTS</b>		<b>36.03</b>	<b>100.00%</b>	<b>6.83</b>

Source: Quantec, 2021

The leading import source market for the Cape Winelands district in 2020 was China at an associated cost of ZAR5,168.50m, equivalent to 37.70% of the district's total imports. Saudi Arabia and Germany ranked second and third, at a value of ZAR716.30m and ZAR688.97m, respectively.

TOP 10 SOURCE MARKETS FOR CAPE WINELANDS EXPORTS, 2020				
RANK	SOURCE MARKETS	VALUE 2020 (ZARm)	% SHARE 2020	GROWTH RATE (2019-2020)
1	China	5,168.50	37.70%	61.21%
2	Saudi Arabia	716.30	5.22%	4.61%
3	Germany	688.97	5.03%	-3.83%
4	Ghana	677.46	4.94%	9,907,547.14%
5	France	565.85	4.13%	6.41%
6	Netherlands	507.88	3.70%	1.96%
7	United States	468.57	3.42%	0.81%
8	Spain	429.81	3.14%	12.64%
9	Italy	380.66	2.78%	4.84%
10	Nigeria	369.80	2.70%	2.35%
<b>TOTAL EXPORTS</b>		<b>13,709.49</b>	<b>100.00%</b>	<b>-7.98%</b>

Source: Quantec, 2021

In term of commodities exported, wine was the leading export product from the Cape Winelands, accounting for 20.45% of total exports, with a value of ZAR7,367.85m in 2020. Citrus fruit, and grapes, ranked second and third, accounting for 20.08% (ZAR7,235.00m) and 13.02% (ZAR4,692.33m) of total exports, respectively.

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Unclassified products were the leading import product accounting for 28.99% of total imports, with a value of ZAR3,974.05m in 2020. Petroleum oils (crude), and petroleum oils (excluding crude) ranked second and third accounting for 12.56% and 5.99% of total imports, respectively.

TOP 10 EXPORT PRODUCTS FROM THE CAPE WINELANDS DISTRICT, 2020				TOP 10 IMPORT PRODUCTS TO THE CAPE WINELANDS DISTRICT, 2020			
RANK	PRODUCT	VALUE 2020 (ZARm)	AVERAGE % GROWTH, 2011- 2020	RANK	PRODUCT	VALUE 2020 (ZARm)	AVERAGE % GROWTH, 2016- 2020
1	Wine	7367.85	3.46%	1	HST9999: Unclassified	3974.05	-
2	Citrus fruit	7235.00	21.37%	2	Petroleum oils, crude	1721.71	-5.07%
3	Grapes	4692.33	11.73%	3	Petroleum oils, excl. crude	821.72	-13.16%
4	Apples, pears, and quinces	3296.74	14.18%	4	Fruit juices (including grape must)	372.19	6.13%
5	Other fruit	1928.16	41.26%	5	Undenatured ethyl alcohol	314.50	14.17%
6	Fruit juices (including grape must)	1385.42	-3.15%	6	Harvesting or threshing machinery	230.41	5.63%
7	Apricots, cherries, peaches	968.82	7.29%	7	Jams, fruit jellies, marmalades	185.67	8.37%
8	Fruit, nuts, and other edible parts of plant	891.23	-11.88%	8	Dish washing machines; machinery	182.13	20.34%
9	Undenatured ethyl alcohol	803.93	-4.17%	9	Flours, meals, and pellets, of meat or meat offal,	177.36	262.69%

10	Other fermented beverages (for example, cider, perry, mead)	672.47	-1.10%	10	Wheat and meslin	175.15	-20.60%
<b>TOTAL EXPORTS</b>		<b>36026.50</b>	<b>6.83%</b>	<b>TOTAL IMPORTS</b>		<b>13709.49</b>	<b>-7.98%</b>

Source: Quantec, 2020

## 5. Investment

The table below shows the global inward FDI into the Cape Winelands. Between January 2003 and July 2021, the Cape Winelands attracted 14 FDI projects, valued at ZAR4,866.55m. These projects created 464 jobs. Ten of the twelve FDI projects were into Stellenbosch.

FDI INTO THE CAPE WINELANDS REGION, JANUARY 2003 - JULY 2021							
DATE	INVESTING COMPANY	SOURCE COUNTRY	DESTINATION CITY	INDUSTRY SECTOR	SUB-SECTOR	CAPEX (ZARm)	JOBS
Jul-21	Trevali Mining Corporation	Canada	Stellenbosch	Software & IT services	Research & Development	772.49	51
Mar-21	Worth Internet Systems	Netherlands	Stellenbosch	Software & IT services	Business Services	79.12	137
Feb-20	Skema	France	Stellenbosch	Business services	Creative Industries	99.26	36
Nov-17	International Workplace Group (Regus)	Switzerland	Paarl	Real estate	Professional Services	27.33	8
Apr-17	Nedbank Private Wealth	United Kingdom	Stellenbosch	Financial services	Financial Services	136.66	19
Jan-17	Liquorice	France	Stellenbosch	Business services	Creative Industries	333.74	16
Mar-15	Don Limon	Germany	Paarl	Food & Beverages	Agribusiness	83.43	18
Jul-12	Enza Zaden	Netherlands	Stellenbosch	Biotechnology	Agribusiness	463.21	44
Nov-11	deVere & Partners	Switzerland	Stellenbosch	Financial services	Financial Services	158.24	21
Aug-11	Genetwister Africa	Netherlands	Stellenbosch	Chemicals	Agribusiness	148.17	35
Apr-11	Artificial Life	Hong Kong	Stellenbosch	Communications	Life sciences	107.89	16
Feb-11	Juwi	Germany	Stellenbosch	Renewable energy	Environmental Technology	2236.91	22
May-10	Genetwister Technologies	Netherlands	Stellenbosch	Chemicals	Agribusiness	148.17	35
Sep-04	Alltech	United States	Stellenbosch	Chemicals	Agribusiness	71.93	6
<b>TOTAL</b>						<b>4,866.55</b>	<b>464</b>

Source: FDI Intelligence, 2021

The table below shows the global outward FDI from the Cape Winelands between January 2003 and April 2021. There were 24 outward FDI projects from the region with some of the companies investing in multiple projects and markets. During the said period the region invested in projects valued at ZAR9.81bn creating a total of 3, 471 jobs. All the investments were from Stellenbosch.

FDI FROM THE CAPE WINELANDS, JANUARY 2003 – APRIL 2021						
DATE	INVESTING COMPANY	DESTINATION COUNTRY	SECTOR	SUB-SECTOR	CAPEX (ZARm)	JOBS
Feb 2020	Wyzetalk	Netherlands	Communications	Software publishers, except video games	33.09	10
Aug 2019	Blue Cube Systems	Australia	Industrial equipment	Software publishers, except video games	51.79	9
Feb 2019	Distell Group	United Kingdom	Food & Beverages	Measuring & control instruments	199.96	20
Dec 2018	Entersekt	Netherlands	Software & IT services	Software publishers, except video games	151.05	94
Dec 2018	Entersekt	Germany	Software & IT services	Software publishers, except video games	23.02	11
Oct 2018	CT Lab	Netherlands	Industrial equipment	Rental & leasing services	17.26	12
Sep 2018	Skynamo	United States	Software & IT services	Software publishers, except video games	155.36	90
Dec 2017	Skynamo	United Kingdom	Software & IT services	Software publishers, except video games	47.47	17
Jun 2015	Origin Wine	United States	Food & Beverages	Wineries	58.98	52
May 2015	PSG Konsult	Namibia	Financial services	Investment management	136.66	13
Apr 2015	Mediclinic Middle East	UAE	Healthcare	General medical & surgical hospitals	2 741.55	800
Oct 2014	Wines of South Africa	Hong Kong	Food & Beverages	Fruits & vegetables & specialist foods	273.32	46
Jun 2014	Distell Group	Angola	Food & Beverages	Software publishers, except video games	594.11	230
Jun 2014	Distell Group	Nigeria	Food & Beverages	Wineries	989.71	236
Apr 2014	Distell Group	Ghana	Food & Beverages	Breweries & distilleries	266.13	420
Mar 2014	Entersekt	United States	Software & IT services	Breweries & distilleries	139.54	92
Jan 2014	Mxit	India	Software & IT services	Breweries & distilleries	112.21	89
Jan 2014	Mediclinic Middle East	UAE	Healthcare	Software publishers, except video games	766.74	286
Dec 2013	Origin Wine	Sweden	Food & Beverages	Software publishers, except video games	46.03	8
May 2013	Rainbow Chicken	Zambia	Food & Beverages	General medical & surgical hospitals	558.15	230
Dec 2012	Mediclinic Middle East	UAE	Healthcare	Internet publishing & broadcasting & web search	766.74	286
Feb 2012	Entersekt	United Kingdom	Software & IT services	Wineries	79.12	16
Jan 2011	Booker Tate	Sri Lanka	Food & Beverages	Animal production	1 582.38	400
Mar 2006	Distell Group	Namibia	Food & Beverages	General medical & surgical hospitals	21.58	4
<b>TOTAL</b>					<b>9 811.92</b>	<b>3 471</b>

Source: FDI Intelligence, 2021

## 5.1 Selected Initiatives & Opportunities in the Cape Winelands

Selected initiatives in the Winelands are shown in the table below.

SELECTED ON-GOING AND APPROVED INITIATIVES IN THE CAPE WINELANDS		
INITIATIVE	OVERVIEW	PROJECT PHASE
<b>“Free Internet”: Free Wi-Fi hotspots</b>	A public-private partnership (PPP) between the Stellenbosch Municipality and the social media network MXit has been established with the goal of providing free internet (Wi-Fi hotspots) to promote learning and communication for residents in the municipality.	Select hotspots operating. More hotspots to be created.
<b>Paarl CBD upgrade</b>	Paarl is the economic centre of the Drakenstein municipality housing four major international companies, for example KWV and Heinz; and as a result, the relocation of businesses to the CBD and upgrade of the central town have been identified as an important project and economic opportunity.	Planning
<b>Paarl waterfront development</b>	Identified as a key catalytic project which will boost the tourism sector. The project consists of mixed-use developments (including a hotel, restaurants, office blocks, sports science institute etc.) located on the Berg river.	Council Approved. In process of public approval.
<b>Drakenstein Waste-to-Energy project</b>	The municipality utilises the waste created by the area to generate electricity. The project will also extend the lifespan of the landfill site. This project has resulted in several awards and recognitions, winning the “Greenest Municipality” award in two consecutive years.	Tender awarded. Commence 2014

Source: Wesgro Invest in the Western Cape, 2014

According to Wesgro Invest in the Western Cape (2014) and the Local Government Handbook (2013), the following selected investment opportunities exist in Cape Winelands:

- Value-adding in the agricultural sector with growth potential in essential oils, medicinal plants, Buchu and olives etc.;
- Electronics industry such as industrial and process automation;
- Future growth in the export-focused transport manufacturers;
- Paarl CBD redevelopment;
- Call centres (business process outsourcing);
- Tourism (wine, leisure and sports tourism);
- Cleaning projects within different wards;
- There are many dams throughout the district wherein aquaculture may be investigated; and
- Solar power grids for wine farms.

Other initiatives underway in the Cape Winelands district:



SELECTED ON-GOING AND APPROVED INITIATIVES IN THE CAPE WINELANDS		
INITIATIVE	OVERVIEW	PROJECT PHASE
<b>Investment: Grassroots Group</b>	Future approved Agro-processing facility in Woiseley. Entails production of fruit sweets and related. +R46 million investment.	Approved by Council. Development to commence soon.
<b>Investment: BAMCO</b>	Food packaging facility, established in 2017, near Prince Alfred's Hamlet; +- R250 million investment.	In full operation.
<b>Investment: Paardekraal Windfarm</b>	Renewable energy development in the Ceres Karoo (Windfarm). On-site development will commence in 2018.	Site preparation phase.
<b>Paarl Central Business District Renewal</b>	Paarl is the economic center of Drakenstein Municipality housing major international companies, for example KWV, Pioneer Foods, Imperial Cargo and Quantum Foods. As a result, the upgrade of the Paarl Central Business District to encourage re-investment to the CBD has been identified as a "Big Move" of the Vision 2032 long-term strategic plan.	We are currently busy developing a Local Spatial Development Framework to ensure improved alignment with our Vision 2032 long-term strategic plan. This process will be completed by June 2019.
<b>Paarl waterfront and Arboretum Precinct Development</b>	This was identified as a "Big Move" in the Catalytic Zone: Paarl East- West Integration Corridor which will focus on the development of the Waterfront (on the banks of the Berg River) site as a mixed-use development with the main purpose to boost investment, create jobs and enable east/west linkages in Paarl.	The municipality will develop a Terms of Reference for a new "Call Proposals for the 2018/2019 financial year.
<b>Wellington Industrial Park</b>	Strategically located industrial park offering high visibility on the main access road into Wellington from the N1. The municipality will promote this park as an Agro-Processing hub.	The Land Use application for this site will be finalised by June 2019 and the municipality will be embarking on an economic feasibility study during the 2019/2020 financial year.
<b>Paarl Mountain Facilities Upgrade</b>	The municipality has identified upgrading of recreational facilities, walkways and the development of cycling tracks and hiking routes with improved signage as a Big Move to unlock the tourism potential of area.	The municipality has partnered with various role players to develop an integrated mountain biking trail around Paarl Mountain, which will be launched during October 2018. A Tourism Development Plan will be finalised by March 2019.

Source: Cape Winelands district Municipality, 2019

SELECTED ON-GOING AND APPROVED INITIATIVES IN THE CAPE WINELANDS		
INITIATIVE	OVERVIEW	PROJECT PHASE
<b>De Poort and Paarl Hamlet</b>	Urban renewal refurbishment and re-establishment of a mixed-use commercial area in Southern Paarl. De Poort is a primary public gateway space and industrial heritage center.	We are at the conceptual phase of the project at this stage.
<b>Development of Dal Josaphat Industrial Area</b>	The municipality will focus on upgrading existing infrastructure and expediting the sale of municipal owned serviced industrial sites in the area.	The municipality established the Development and Investment Desk, which is located in the Office of the City Manager to accelerated investment into the area.
<b>Klapmuts Industrial Park</b>	The municipality will focus on a mixed-use development which will include light industrial, logistics, offices and residential.	A draft Local Spatial Development Framework will be completed by December 2018.
<b>Zwelethemba commercial corridor</b>	The project entails the detailed design of a business area by employing landscape architects and spatial planners to optimally plan the usage of limited spaces in the township to encourage decent informal trade and retail shopping. A second component is also to dispose a nearby municipal property to a private developer to construct additional retail facilities with a view to ignite private driven commercial development.	Detail planning has been completed and we are now at the tender specification/advertisement phase to roll out various urban landscape improvement initiatives.
<b>Upgrades In Touwsrivier RSEP</b>	Employ a landscape architect to upgrade the mobility infrastructure from the residential areas to the business areas and to rejuvenate the CBD of a very small and marginal town centre in the BVM.	Planning phase
<b>Uitvlugt Industrial park</b>	We have just completed the Urban Vision framework with Aurecon and we will go back to Council with a recommendation to view the Urban Vision document, and to allow the CFO to budget for the development contributions.	Urban vision completed, which include the provisional costing for the various bulk services such as electricity, water supply, mobility, as well as drainage infrastructure. Aurecon already presents us with Engineering designs and preliminary costing modules.
<b>Fund additional security to reduce crime in CBD.</b>	To make a contribution in collaboration with the BVM by contributing R420 000, whilst the Worcester Business Improvement Company funds the remainder. The project idea is about installing additional surveillance CCTV cameras in commensurate with a armed response programme that can meaningfully respond as and when needed.	Ongoing partnership project with the WBID company this year the BVM will make a contribution of R420 000, 00 to install additional cameras and pay to an armed response company to react. The WBID are receiving the additional rates that the BVM deduct and pay over to them on a monthly basis.
<b>Rail Infrastructure at Klein plasie Open air Museum</b>	Negotiate with Provincial Government Arts and Culture department to use the old infrastructure to the benefit of a private rail company that want to construct a locomotive hub to service the various locomotives that will be used to transport tourist facilities to the Northern part of the Du Toits Kloof mountains.	Most of the expenditure is for the Ceres Rail
<b>Bulda Industrial Project (development of Industrial area )</b>	As there is insufficient land for industrial/commercial growth in Robertson, Langeberg municipality identified the need for the allocation of land for this purpose. Industrial development together with agriculture, commercial services and tourism form the economic base and support the economic growth potential of the town. Its envisaged that this development will ensure a sustainable socio-economic impact.	Busy with feasibility study during 2018 / 2019 financial year.
<b>Cactus Garden Mall</b>	A primary motivating factor for the development of the centre is the considerable economic and social advantages which will result from the development. Support economic development by providing job creation.	Planning approval issued. In pre – development stage

SELECTED ON-GOING AND APPROVED INITIATIVES IN THE CAPE WINELANDS		
INITIATIVE	OVERVIEW	PROJECT PHASE
<b>U9 project –Carewell Private Hospital</b>	The development will incorporate start-up living opportunities, and contribute to the provision of residential opportunities in line with the Municipality's forward plan. Temporary employment during construction phase and permanent employment during operational phase of development. The development will promote economic development.	Construction under way
<b>Mountain View Resort</b>	This project speaks to the need for frail care, doctors, a pharmacy in close proximity, and safe housing for the aged in the area. It will be in the form of a security complex. It will be accessible for the whole Langeberg area.	Construction under way
<b>Jakes Gerwel Entrepreneurial School</b>	The aim of building this school was to develop skilled people as well as entrepreneurs. A career hub will be established in order for the students to network with businesses. It is a low fees school for the community, and is an Afrikaans speaking Department of Education supports development. School is built on agricultural land.	First phase completed. Second phase of construction in progress
<b>R962 Road Construction</b>	Provincial Department identified a need for the upgrading of the roads.	Under construction
<b>Bonnievale Main Road Construction</b>	A need identified by the community for the upgrading of the main road in Bonnievale.	Under construction

Source: Cape Winelands District Municipality, 2018

Source: Cape Winelands District Municipality, 2019

## 6. Companies

Below are some of the major businesses in the Cape Winelands:

SELECTED COMPANIES IN THE CAPE WINELANDS DISTRICT			
COMPANY NAME	MUNICIPALITY	SECTOR	BUSINESS ACTIVITY
Kaap Agri Ltd	Paarl	Wholesale and Retail Trade	Wholesale & Commission Trade, Except of Motor Vehicle And Motor Cycles
Afriplex (Pty) Ltd	Paarl	Manufacturing	Manufacture: Coke, Refined Petroleum Products & Chemicals
Core Fruit (Pty) Ltd	Paarl	Wholesale and Retail Trade	Wholesale & Commission Trade, Except of Motor Vehicle And Motor Cycles
Casidra SOC Ltd	South Paarl	Agriculture, Hunting, Forestry and Fishing	Agriculture, Hunting & Related Services
Freedom Property Fund Ltd	Paarl	Financial Intermediation, Insurance, Real Estate and Business Services	Real Estate Activities
Niveus Investments Ltd	Paarl	Financial Intermediation, Insurance, Real Estate and Business Services	Financial Intermediation, Except Insurance & Pension Funding
RFG Holdings Ltd	Paarl	Manufacturing	Manufacture: Food Products & Beverages
Capitec Bank Holdings Ltd	Stellenbosch	Financial Intermediation, Insurance, Real Estate and Business Services	Financial Intermediation, Except Insurance & Pension Funding
Distell Group Holdings Ltd	Stellenbosch	Manufacturing	Manufacture: Food Products & Beverages
Remgro Ltd	Stellenbosch	Financial Intermediation, Insurance, Real Estate and Business Services	Financial Intermediation, Except Insurance & Pension Funding
Mediclinic International (RF) (Pty) Ltd	Stellenbosch	Community, Social and Personal Services	Health & Social Work
Paarl Media Paarl (Pty) Ltd	Paarl	Manufacturing	Manufacture: Wood & Wood Products, Paper, Printing and Publishing

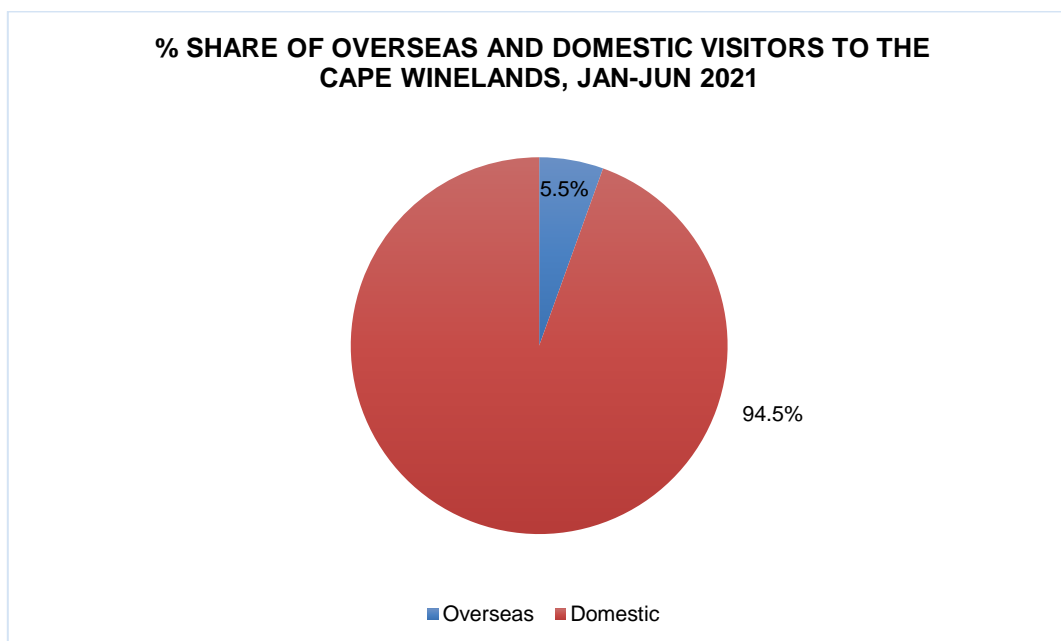
Source: WhoOnsWhom, 2021

## 7. Tourism

- The Cape Winelands region is the source of many legendary Cape wines, the produce of row upon row of grapevines, many of which were first planted hundreds of years ago. Its classic Cape-Dutch homesteads, mountainous surrounds, grand heritage, and sumptuous restaurants have earned the Cape Winelands the right to call itself South Africa's culinary capital.
- The region is an extremely popular tourist destination and well visited by both international and domestic visitors.
- However, the COVID-19 pandemic has undoubtedly had a devastating impact on the tourism economy. Countries the world over have shut their borders to curb the spread of the virus, and it has had devastating effects on the global travel industry. The United Nations World Tourism Organization (UNWTO) has reported a loss of 440 million international travellers and around US\$ 460 billion in export revenues from international tourism, over the January – June 2020 period (UNWTO, 2020).
- On 15 March 2020, the South African Government declared a national state of disaster in response to the coronavirus pandemic. A nationwide lockdown then came into effect on 26 March 2020, resulting in a complete standstill of all tourism activity until 31 May 2020. In line with government's risk adjusted strategy, limited tourism activity was introduced as of 1 June 2020.
- As a result, responses to visitors' surveys at the participating Cape Winelands regions decreased by 44,14% going from a combined total of 845 visitors between January and June 2020 to a mere 475 over the same period in 2021. All attractions and regional offices in the region were closed throughout quarter two of 2020 due to the nationwide lockdown
- However, a positive change due to the easing of restrictions in 2021 is showing a promising recovery for the region

### Origins of Visitors

For the period under review in the Cape Winelands Region, international visitors made up the higher share of travellers with 94.5% as compared to 5.5% of local/domestic travellers.



Source: Wesgro Cape Karoo Tourism Trends, 2020

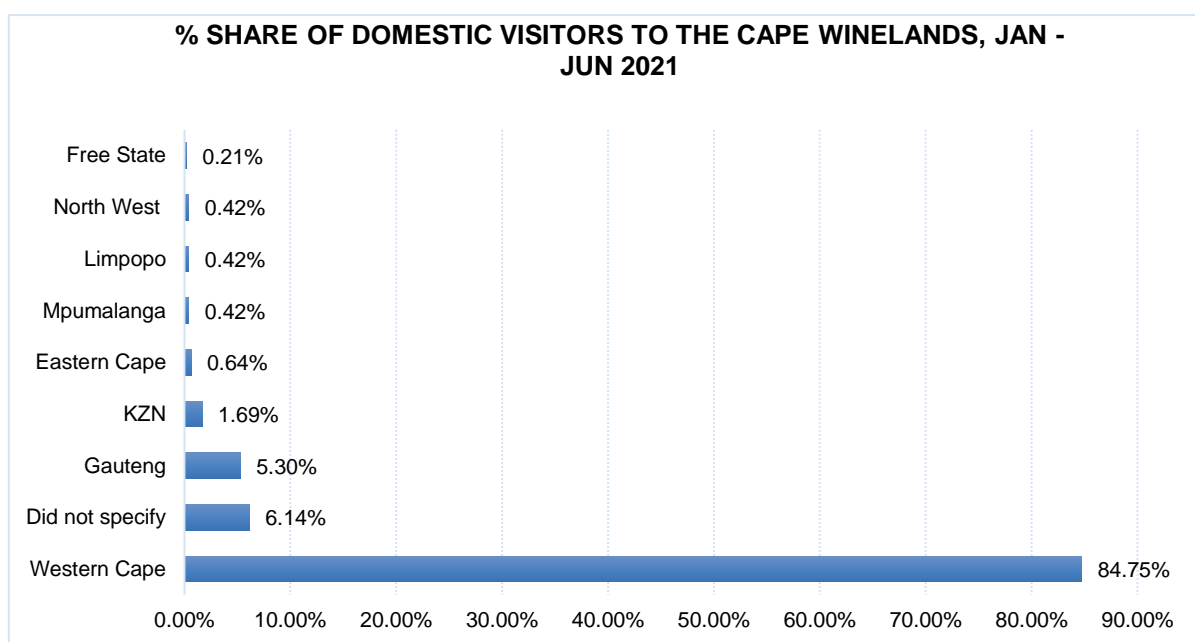
Following a similar trend as Jan-Jun 2020, traditional markets such as the United Kingdom, Germany, France, Netherlands, and Belgium ranked as the region's top five international markets.

Consistent with the Western Cape's international visitor trends, European travellers are the main drivers of tourism activity in most regions in the province including the Cape Winelands. Over 80% of all overseas visitors to the region originated from the continent .



Source: Wesgro Cape Karoo Tourism Trends, 2020

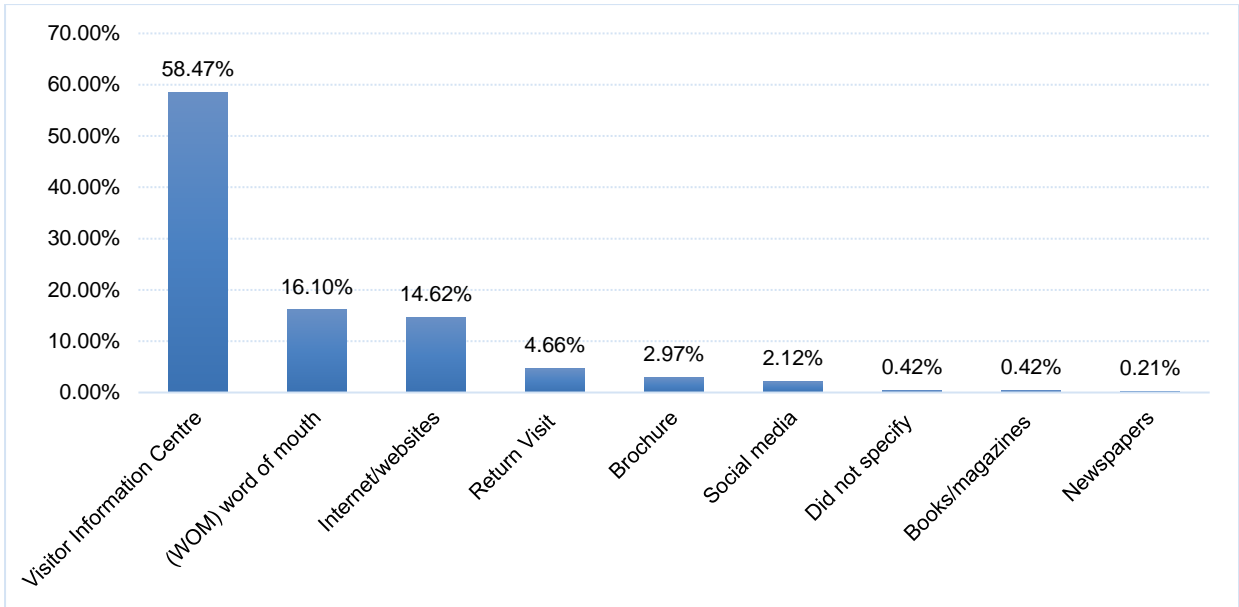
Despite financial and economic constraints, trends indicate that domestic travellers continue to travel. Over the period Jan – Jun 2020, the largest share of domestic travellers to the region originated from the Western Cape, which indicates that the Cape Winelands is a popular destination for locals in the province. Gauteng and KZN were amongst the top 3 most popular domestic visitors to the region.



Source: Wesgro Cape Karoo Tourism Trends, 2020

#### Top information sources

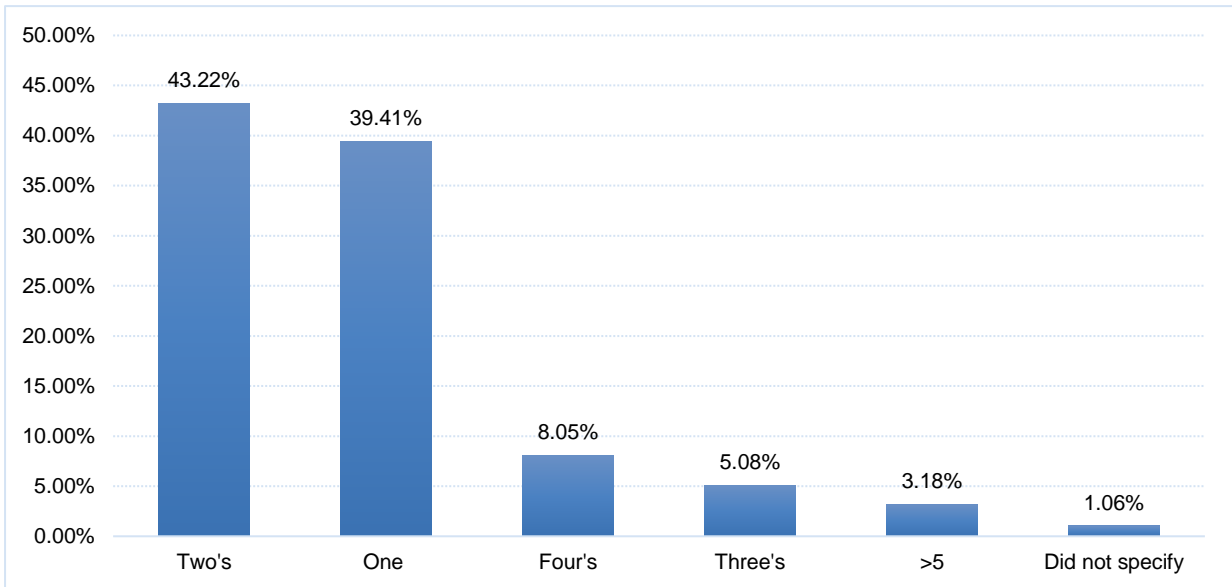
- Visitor information centre's (58.47%) Word of mouth (16.10%), Internet/websites (14.62%) and return visitors (4.66%) ranked as the top sources for obtaining information in the Cape Winelands (Jan-Jun 2021).
- Return visitors are an extremely important segment of the market that offers the potential for even greater growth and sustainability in the tourism sector for the region.
- The Cape Winelands is vast and filled with events and happenings, so travellers need to ensure they set enough time aside to enjoy the beautiful surroundings, taste wine, pick strawberries and participate in numerous events hosted by the various regions



Source: Wesgro Cape Karoo Tourism Trends, 2020

**Group Size**

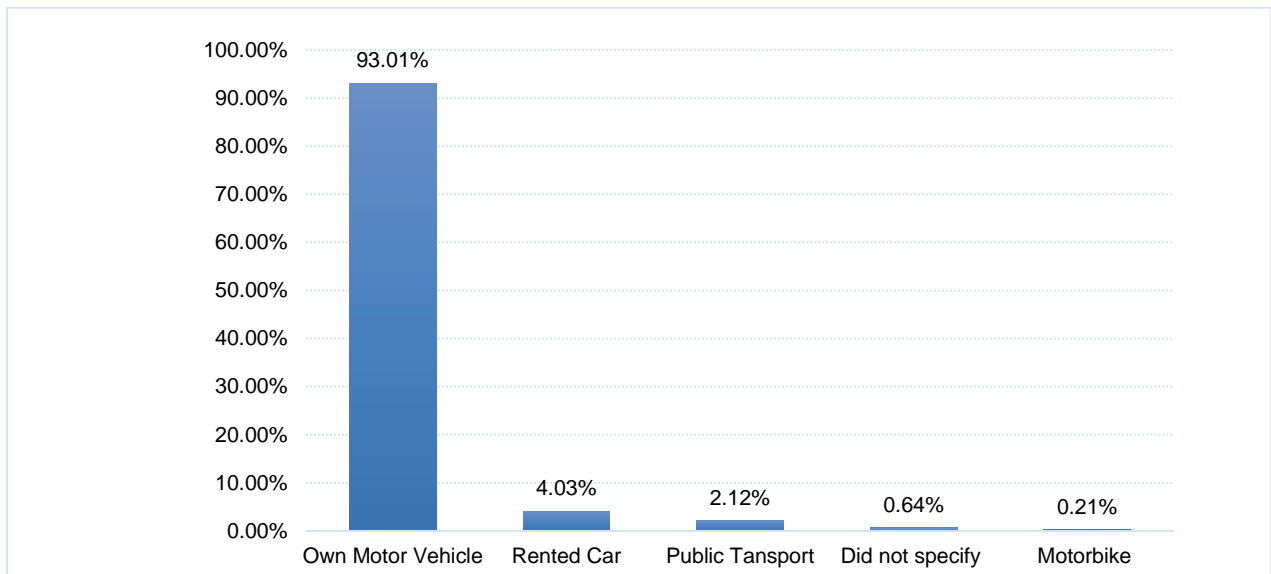
Being a desirable destination, the region caters for all age categories. With most respondents travelling in pairs or on their own during the period.



Source: Wesgro Cape Karoo Tourism Trends, 2020

### Mode of transport

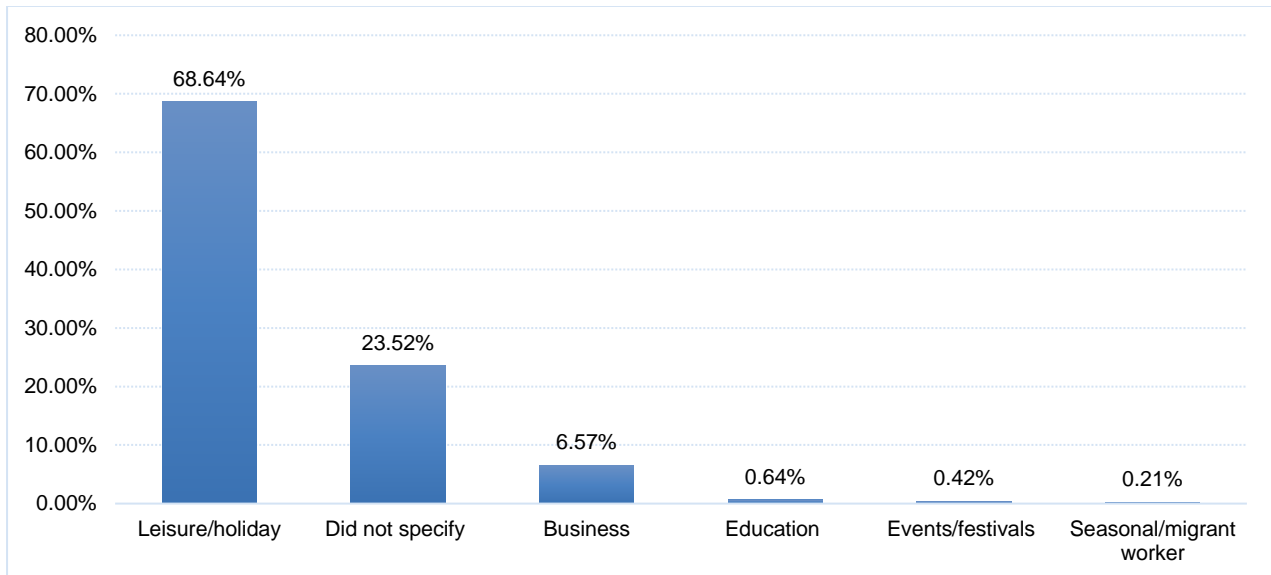
The preferred mode of transport was people travelling with their own motor vehicles. This could be because of the high percentage of locals making short trips around the region.



Source: Wesgro Cape Karoo Tourism Trends, 2020

### Purpose of visit

- When visiting the Cape Winelands there is an array of locations that can be visited, from Ceres, Paarl, Wellington, and Tulbagh just to name a few.
- As such, the most prominent motivating factor for travel to the region was for the purpose of holiday/leisure (68.64%) as well as business (6.75%).
- Education, Business, Events as well as travelling for Sports ranked as part of the top 5 reasons for visiting the region.

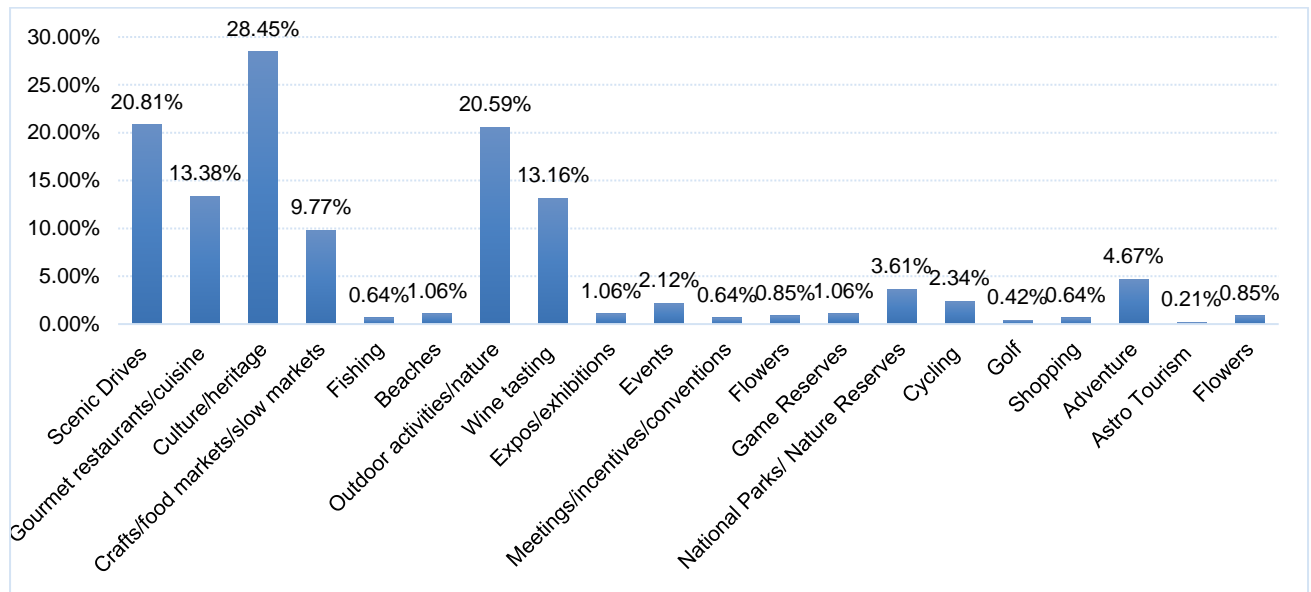


Source: Wesgro Cape Karoo Tourism Trends, 2020



### Top activities undertaken in the Cape Winelands

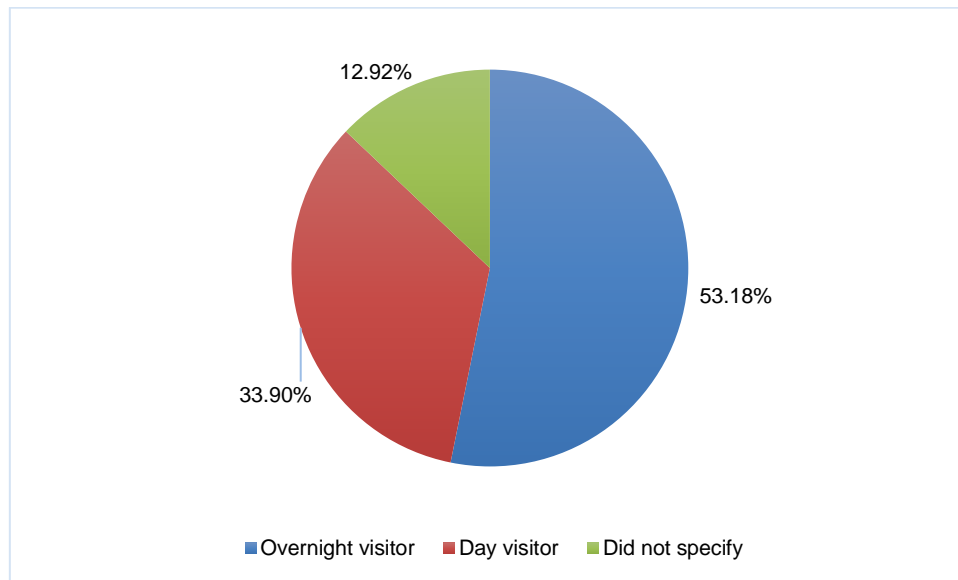
Culture/heritage, outdoor activities, scenic drives, and wine tasting continue ranking as the top five activities visitors enjoy during their stay in the region.



Source: Wesgro Cape Karoo Tourism Trends, 2020

### Overnight Stay

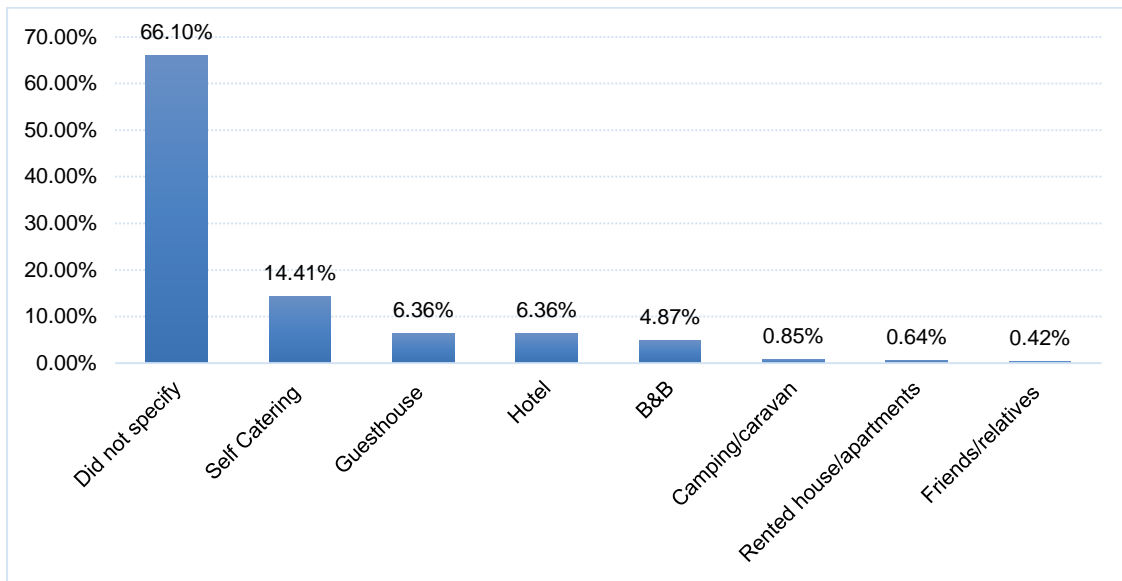
Most travellers in the region were overnight visitors.



Source: Wesgro Cape Karoo Tourism Trends, 2020

### Accommodation usage

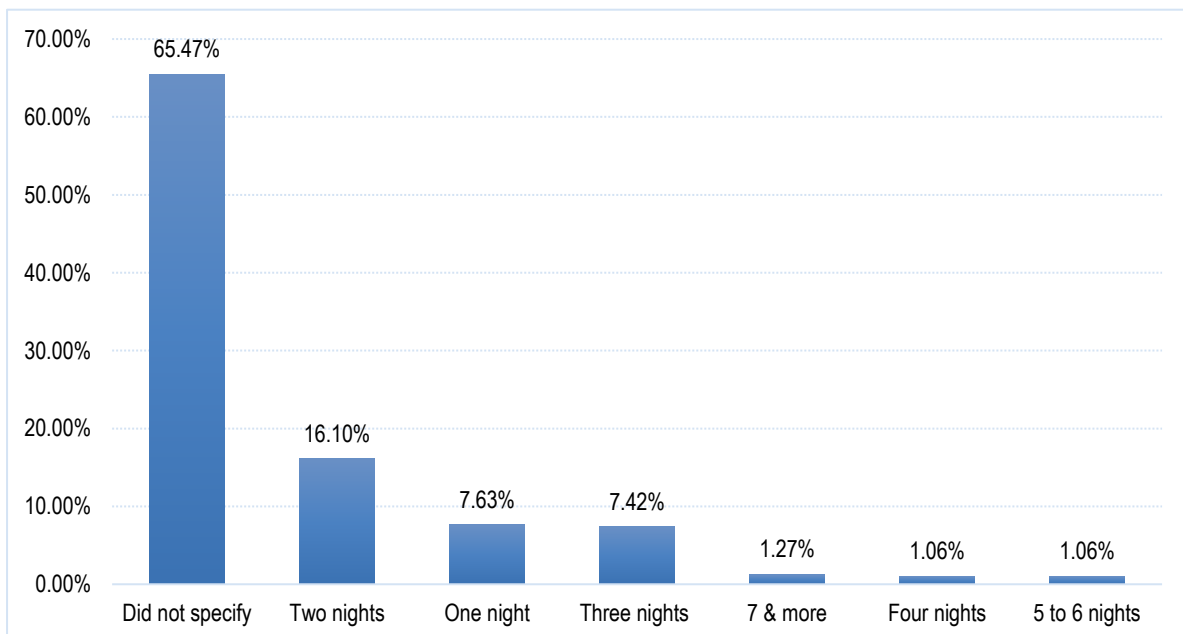
Self-catering apartments, guest houses and hotels were the most popular accommodation choices for overnight visitors in the region.



Source: Wesgro Cape Karoo Tourism Trends, 2020

### Average length of stay

When observing the average length of stay of visitors to the Cape Winelands, the largest share of overseas and domestic visitors indicated 2-3 nights as their length of stay in the region for the period under review.



Source: Wesgro Cape Karoo Tourism Trends, 2020

## 8. Film



Home to the longest wine route in the world, the Cape Winelands attract tourists, business travellers and filmmakers alike. Numerous studios are in the Cape Winelands but explore the surrounds and you'll find natural and built locations to where the appetite of any locations manager. The Cape Winelands comprise the Stellenbosch, Drakenstein, Witzenberg, Breedevallei and Langeberg municipalities. The region is one of the most scenic and beautiful wine regions in the world, and features Cape Dutch buildings, world class golf courses, and unsurpassed scenery.

Famous film locations in the region include the Paarl Rock, the town of Montagu situated on Route 62, Nekkies Resort in Worcester, the Robertson Airfield and the Huegenot Monument in Franschoek.

### Key Information

Filmmakers must complete the events application form and submit it in person or electronically. Indicate whether road closure is required/ traffic assistance. Regarding municipal open space and parks, an application must be made to the Community Services Department. The relevant municipality will coordinate this process to ensure one point of entry.

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FILMS SHOT ON LOCATION

<b>FILMS</b>	The Dark Tower, Mad Max: Fury Road, The Last House on the Left
<b>TV SERIES</b>	Our Girl, Black Sails, Doctor Who

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