

German Companies investing into the Western Cape January 2021 - June 2024

January 2021 to June 2024



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Introduction

The report examines foreign direct investment (FDI) trends by all companies from Germany investing in Western Cape between January 2021 and June 2024.

The report includes estimated values on capital investment and the number of jobs created in cases where information was not available at project announcement.

Inter-state projects are excluded from this report.

Headline figures

No of FDI projects	7
Total jobs created	655
Average project size (jobs)	93
Total capital investment	ZAR 629.09 m
Average project size	ZAR 90.51 m

Project Profiles

March 2024 - Energiequelle into South Africa

Energiequelle (Zossen, Germany) is investing in the city of Cape Town, South Africa in the Renewable energy sector in a Sales, Marketing & Support project.

Germany-based renewable energy developer Energiequelle has established a subsidiary, Energiequelle South Africa Pty Ltd, and opened a new office in Cape Town, South Africa. It will serve the domestic market.

South Africa is the second largest national economy in Africa, but the lack of electricity capacity is a barrier to its growth. The wind conditions are very good, and there are also regions with high levels of sunshine. This offers extraordinary potential for renewable energies. The government has therefore been setting specific targets for the expansion of renewable energies for years. An extensive tendering process has already ensured the execution of many projects. Stefan Sager, managing director (South Africa), is convinced of South Africa's potential: "Energiequelle has been involved in the development of wind projects in South Africa for some time now, also with cooperation partners. Now we want to provide even better local support for the process and add more wind and solar projects to our pipeline."

Company contact: Stefan Sager (Managing Director (South Africa))

Jobs Created: 28 (est)

Investment: ZAR 314.47 million (est)

FDI project type: New

January 2024 - FRASER GmbH into South Africa

FRASER GmbH (Berlin, Germany) is investing in the city of Cape Town, South Africa in the Business services sector in a Business Services project.

Germany-based FRASER GmbH, a provider of advertising services, has opened a new office in Cape Town, South Africa. It has created an initial four new jobs with plans to grow its team to 10 staff. The office serves the domestic market.

With the new office, the agency intends to adapt its cost structure to current market developments and customer expectations. It is well known that personnel costs at the foot of Table Mountain are significantly lower than in major European cities. FRASER therefore also wants to offer its services to other brands, service providers, and agencies from Europe initial talks have already taken place. Benjamin Baumann, chief executive officer, says: "With the new office in Cape Town, we are significantly increasing the cost efficiency of our services and gaining valuable access to the highly qualified local talent in the creative hub of South Africa. We have already had very good experiences with local freelancers in the past and have now also been able to attract some talent from established agencies in South Africa. In addition, Cape Town has an excellent FinTech scene, from which we as FRASER, and thus also our financial clients such as UBS and Commerzbank benefit. The favourable time zone also ensures seamless cooperation with our locations in Europe."

Company contact: Benjamin Baumann (Chief Executive Officer)

Jobs Created: 4

Investment: ZAR 7.67 million (est)

FDI project type: New

November 2023 - Hensoldt South Africa, a subsidiary of Hensoldt into South Africa

Hensoldt South Africa, a subsidiary of Hensoldt (Taufkirchen, Germany) is investing in the city of Stellenbosch, South Africa in the Space & defence sector in a Sales, Marketing & Support project.

Hensoldt South Africa, a technology solutions company and a subsidiary of Germany-based Hensoldt, which develops sensor solutions for defence and security applications, has opened new offices in Stellenbosch, South Africa. The offices will form the new hub of the company's spectrum management operations and provide a training space for the company's clients.

"We are excited to establish our presence in the dynamic Stellenbosch area, offering an engaging environment for current and potential employees, while serving as an ideal setting for client training," says Rynier van der Watt, managing director, Hensoldt South Africa.

Company contact: Rynier van der Watt (Managing Director (South Africa))

Jobs Created: 64 (est)

Investment: ZAR 72.10 million (est)

FDI project type: New

June 2023 - ITEG Industrial & Commercial Parts into South Africa

ITEG Industrial & Commercial Parts (Bad Bentheim, Germany) is investing in the city of Cape Town, South Africa in the Automotive components sector in a Sales, Marketing & Support project.

Germany-based ITEG Industrial & Commercial Parts, a trading portal of truck, trailer, bus and car parts, has opened a new office in Cape Town, South Africa. It will serve the markets in South Africa, Mozambique, Zimbabwe, Botswana, Namibia and Madagascar.

Jobs Created: 17 (est)

Investment: ZAR 27.61 million (est)

FDI project type: New

April 2023 - Rheinmetall Denel Munition, a subsidiary of Rheinmetall into South Africa

Rheinmetall Denel Munition, a subsidiary of Rheinmetall (Dusseldorf, Germany) is investing in the city of Somerset West, South Africa in the Renewable energy sector in a Electricity project.

Rheinmetall Denel Munition, a subsidiary of Germany-based Rheinmetall, is to establish a solar power plant at its facility in Somerset West, South Africa. The 23,400 sq m solar power plant will generate 100% of the power required at the Somerset West facility and will immunise it from the effects of the scheduled rotating power cuts in South Africa. The project represents an R72m investment from Rheinmetall Denel Munition's Germany-based parent company Rheinmetall and forms a part of a R251m in-country investment for renewable energy.

Company contact: Jan-Patrick Helmsen (Chief Executive Officer, Rheinmetall Denel Munition)

Jobs Created: 1 (est)

Investment: ZAR 59.98 million

FDI project type: Co-Location

March 2023 - Arvato Services, a subsidiary of Bertelsmann into South Africa

Arvato Services, a subsidiary of Bertelsmann (Gutersloh, Germany) is investing in the city of Cape Town, South Africa in the Business services sector in a Customer Contact Centre project.

Arvato CRM Solutions, which designs customer service and back-office processing services for private and public sector clients and is a division of Arvato, itself a subsidiary of Germany-based Bertelsmann, has opened a new facility in Cape Town, South Africa. From the new facility, Arvato will deliver high-end concierge services through multichannel, multilingual, 24/7 customer support to Techsembly's global client base.

Company contact: Debra Maxwell (Chief Executive Officer, ArvatoConnect)

Jobs Created: 310 (est)

Investment: ZAR 76.70 million (est)

FDI project type: New

May 2022 - Accso (Accelerated Solutions) into South Africa

Accso (Accelerated Solutions) (Darmstadt, Germany) is investing in the city of Cape Town, South Africa in the Software & IT services sector in a Business Services project.

Germany-based Accso, a software and IT consulting company, has opened its first international office in Cape Town, South Africa.

Jobs Created: 231 (est)

Investment: ZAR 70.56 million (est)

FDI project type: New

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