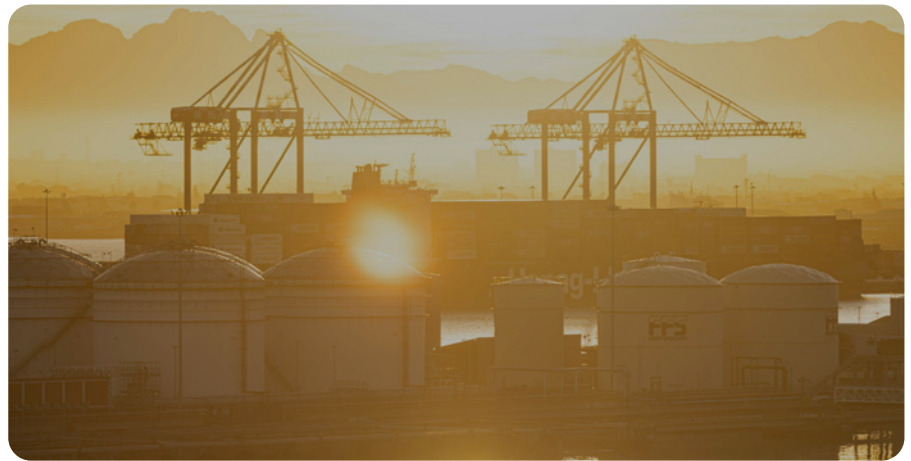




Manufacturing & Advanced Industry Sector Report

Africa's Only Full-Stack
Industrial Platform



South Africa



EXECUTIVE SUMMARY

Africa's Industrial Powerhouse

SOUTH AFRICA IS THE ONLY AFRICAN ECONOMY WITH INTEGRATED MANUFACTURING VALUE CHAINS across automotive, steel, chemicals, electronics, agri-processing, and advanced tech.

GLOBAL GIANTS use South Africa as a resilient, low-carbon production base — from Ford to Unilever, from Sasol to Samsung.

THE SECTOR CONTRIBUTES R570 BILLION TO GDP, employs 1.8 million people, and exports over R280 billion in goods annually.

AS GLOBAL SUPPLY CHAINS REGIONALISE and decarbonise, South Africa offers a tested, scalable platform — underpinned by Special Economic Zones, localisation incentives, and industrial masterplans.



EXECUTIVE SUMMARY

Sector Highlights

R2T+

SECTOR MARKET VALUE
(12.6% OF GDP, 2024)

1.8M+

JOBS FORMAL AND INFORMAL

15%

CORPORATE TAX,
DUTY-FREE CAPITAL IMPORTS

599,000+

VEHICLES PRODUCED
ANNUALLY

R168B+

CHEMICAL EXPORTS
IN 2023

MARKETS

AFRICA, EU, US (AGOA),
ASIA, MIDDLE EAST

ACCESS

AFCFTA, AGOA, EU EPA, SADC,
BRICS+





FULL SECTOR BRIEF

The Big Picture

South Africa produces more manufactured goods than any other country in sub-Saharan Africa—contributing R1.4 trillion to GDP and employing 1.8 million people across chemicals, metals, machinery, textiles, and advanced manufacturing

This is heavy industry at scale: steel mills, chemical plants, precision engineering, and advanced manufacturing clusters producing everything from industrial valves to aerospace components.

Major manufacturers—Sasol, AECL, ArcelorMittal, Barloworld—operate here. And new industrial zones are attracting investment in value-added production: the Coega SEZ for automotive components, Atlantis for greentech manufacturing, and Richards Bay for metals beneficiation.

With Special Economic Zones offering tax incentives, duty-free imports on capital equipment, and streamlined customs, South Africa offers manufacturers the infrastructure, skills, and market access to produce for Africa and beyond.



12.6%

SECTOR CONTRIBUTION
TO GDP

R280B+

ANNUAL GOODS
EXPORTS

11

SPECIAL ECONOMIC ZONES



FULL SECTOR BRIEF

Automotive & EV

South Africa builds more than 599,000 vehicles annually – 68% of Africa’s total. Global leaders like BMW, Toyota, Ford, VW, and Stellantis are scaling operations here, supported by the Automotive Masterplan and the EV White Paper, which targets 60% localisation by 2035.

INVESTMENT OPPORTUNITY

Tap into SEZs like Tshwane to assemble EVs and supply high-demand components. Use APDP and localisation incentives to de-risk entry.





FULL SECTOR BRIEF

Chemicals & Plastics

The country's petrochemical value chain — led by Sasol — supports packaging, fertilisers, coatings, and consumer goods.

Chemical exports topped R186 billion in 2023, with green chemistry and bio-inputs gaining ground.

INVESTMENT OPPORTUNITY

Locate next to Sasol in Mpumalanga or at coastal SEZs for green and consumer chemical production.





FULL SECTOR BRIEF

Steel, Aluminium & Light Industry

South Africa's metals cluster produces fabrication inputs for construction, packaging, renewables, and infrastructure.

ArcelorMittal, Hulamin, and growing SME suppliers serve Africa's buildout.

INVESTMENT OPPORTUNITY

Contract-manufacture steel parts, aluminium casings, or packaging for domestic and regional buyers.





FULL SECTOR BRIEF

Aerospace & High-Tech Precision

South African firms — including Denel, Paramount, and CSIR spinoffs — supply parts for Airbus, Boeing, and regional UAV manufacturers.

Defence IP and drone platforms are maturing.

INVESTMENT OPPORTUNITY

Build precision components for aerospace, drones, and space-tech through CSIR and Denel IP licensing.





FULL SECTOR BRIEF

Electronics & Solar Assembly

Samsung, Hisense, and local players manufacture TVs, fridges, and solar batteries for local and SADC markets.

The Atlantis SEZ and Dube TradePort support 4IR assembly and exports.

INVESTMENT OPPORTUNITY

Localise assembly of white goods, solar kits, and 4IR components for African homes and grids.





LOOKING AHEAD

Investment Opportunities

1 **AUTOMOTIVE & EV**
Tap into SEZs like Tshwane to assemble EVs and supply high-demand components. Use APDP and localisation incentives to de-risk entry.

2 **GREEN CHEMICALS**
Build ESG-compliant inputs for industry. Locate next to Sasol in Mpumalanga or at coastal SEZs for green and consumer chemical production.

3 **AGRI-FMCG PROCESSING**
Scale food and personal care manufacturing. Expand processing for regional exports. Tap DFI-backed funds and product development incentives.

4 **STEEL & PACKAGING**
Contract-manufacture steel parts, aluminium casings, or packaging for domestic and regional buyers. Manufacture steel inputs, cans, cartons, foils.

5 **AEROSPACE & UAVS**
Build precision components for aerospace, drones, and space-tech through CSIR and Denel IP licensing. Export UAVs and aircraft parts,



LOOKING AHEAD

Challenges & Fixes

- ✓ **ELECTRICITY INSECURITY AND LOAD-SHEDDING** is mitigated by embedded generation, private PPAs, wheeling, battery storage.
- ✓ **SKILLS MISMATCH** addressed by Sector Education & Training Authorities (SETAs), TVET colleges.
- ✓ **PERMIT AND POLICY DELAYS** are managed through SEZs + InvestSA desks offering fast-track clearances.
- ✓ **CURRENCY VOLATILITY** stabilised by export hedging + Africa demand diversity.



IN SUMMARY

The Bottom Line

South Africa is Africa's only country that can offer end-to-end manufacturing capability at industrial scale – from raw material to high-tech final product.

With embedded energy reforms, OEM anchors, SEZ ecosystems, and growing regional demand, this is the continent's industrial platform of the future.

GET IN TOUCH WITH BRAND SOUTH AFRICA

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