

Africa

May 2023

Executive Summary

This regional fact sheet provides key trade and investment related statistics for Africa in relation to South Africa and the Western Cape. Specifically, it shows Africa's trade and investment flows including an analysis of top markets and products with both South Africa and the Western Cape, while highlighting the largest and fastest growing products and sub-sectors. It also analyses tourism trends between the continent and South Africa and the Western Cape. Key findings and trends are outlined below:

Trade

- In 2022, South Africa's exports to Africa stood at ZAR491.03bn, increasing by 28.27% y-o-y from the ZAR382.81bn recorded in 2021. Imports from the continent were valued at ZAR151.91bn, an increase of 19.91% y-o-y from a cost of ZAR126.69bn incurred in 2021.
- Africa accounted for 24.39% of South Africa's total exports to the world in 2022 and 8.35% of the country's global imports.
- Petroleum oils, other than crude was South Africa's dominant export product to Africa in 2022, valued at ZAR30.67bn, equivalent to 6.3% of total exports to Africa. Crude petroleum oils was South Africa's dominant import product from trade with Africa, at a cost of ZAR46.44bn, equivalent to 30.6% of total imports from the African continent in 2022.
- Mozambique was the top African market for South Africa's exports in 2022, which at a value of ZAR95.66bn, was equivalent to 19.5% of total exports to the continent.
- Western Cape export receipts from trade with Africa totalled ZAR59.92bn in 2022, increasing by 24.04% y-o-y from the value of ZAR47.92m earned in 2021. Associated import costs increased by 23.67% y-o-y to a value of ZAR20.96bn in 2022, up from ZAR16.95bn incurred in 2022.
- Africa accounted for 32.17% of the Western Cape's global exports in 2022 and 6.40% of global imports.
- The Western Cape's leading export product to Africa in 2022 was petroleum oils, other than crude, valued at ZAR9.95bn and equivalent to 16.61% of all African export receipts earned in 2022.
- Botswana was the leading African market for Western Cape exports in 2022, which at a value of ZAR12.28bn, was equivalent to 20.49% of all African export receipts. Namibia followed in close second at a value of ZAR12.04bn, equivalent to 20.10% of African exports.

Investments

- According to FDI Intelligence statistics, a total of 125 FDI projects were recorded into Africa from the Western Cape between 2013 and 2022. These projects represent a total capital investment of R43.30 billion and led to the creation of 13 452 jobs.
- Kenya was the largest destination market over the mentioned period, with 32 FDI projects, representing 25.6% of total projects. It was followed by Nigeria and Zambia, with 23 and 12 projects respectively.
- Nigeria was the largest destination market based on the capex value of projects, accounting for 26.97% of total capex, followed by Mozambique (25.88%).

Tourism

- The number of African tourist arrivals to South Africa grew by 126.15% y-o-y to 4,237,261 in 2022, up from 1,873,609 recorded in 2021.
- The Western Cape welcomed a total of 214,613 tourist arrivals from Africa in 2022, representing a growth rate of 138.76% y-o-y from the 89,885 arrivals recorded in 2021.
- African tourist arrivals into Cape Town via air were recorded at 72,170, increasing by 166.24% y-o-y from 27, 107 arrivals recorded in 2021.

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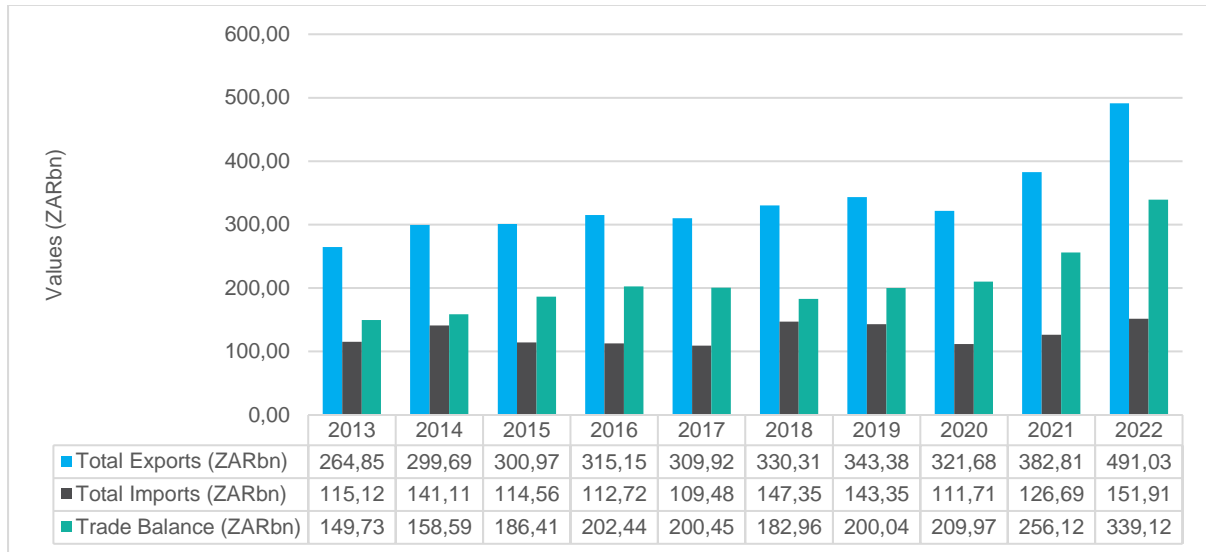
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1. South Africa Trade with Africa

The figure below illustrates South Africa's trade with Africa over the period 2013 to 2022. Throughout the period under review, South Africa was a net exporter of goods to Africa, with a notable increase in exports receipts recorded with the Continent post-2020. By 2022, South Africa's exports to Africa had reached a value of ZAR491.03bn, up from ZAR264.85bn recorded in 2013.

South Africa's exports to Africa surged to a value of ZAR491.03bn in 2022, an increase of 28.27% y-o-y on the ZAR382.81bn recorded in 2021. In a similar manner, the country's imports from the continent increased to a cost of ZAR151.91bn in 2022, an increase of 19.91% y-o-y from ZAR126.69bn incurred in 2021.

FIGURE 1: SOUTH AFRICA TRADE WITH AFRICA, 2013-2022

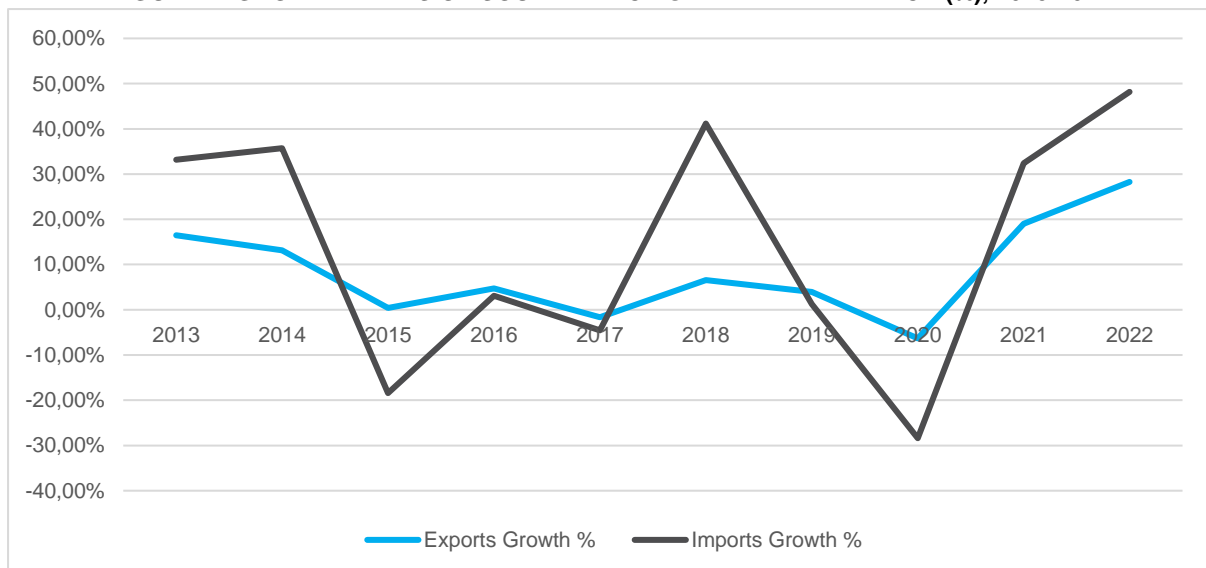


Source: Quantec, 2023

Growth

The graph below shows the growth in South Africa's annual trade with Africa between 2013 and 2022. The country's annual exports growth averaged 8.46% during this period. Imports growth, in turn, averaged 5.91% for the said period.

FIGURE 2: GROWTH RATES OF SOUTH AFRICA'S TRADE WITH AFRICA (%), 2013-2022

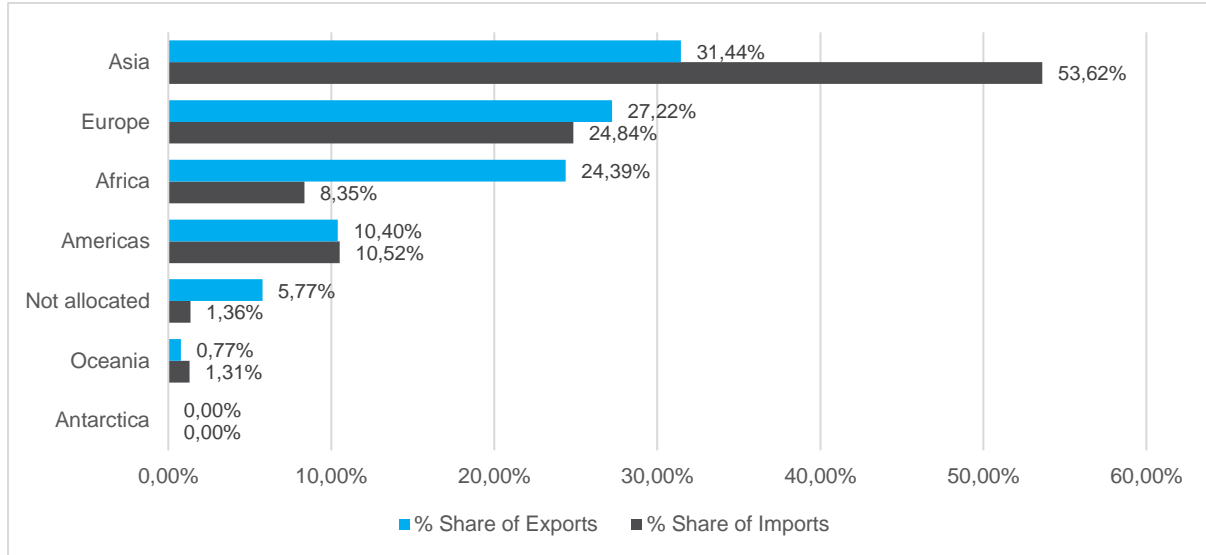


Source: Quantec, 2023

1.1 South Africa's trade with world regions

South Africa's trade by world regions is shown in figure 3 below. Asia, at a value of ZAR633.12bn was the top export destination region for South Africa's exports in 2022, accounting for 31.44% of South Africa's exports to the world. This was followed by Europe (ZAR548.16bn; 27.22%) and Africa (ZAR491.03bn; 24.39%). Asia was also the top import source region for South Africa's imports in the same year, which at a cost of ZAR976.12bn was equivalent to 53.62% of South Africa's global imports in 2022. Europe (ZAR452.24bn; 24.84%) and Americas (ZAR191.42bn; 10.40%) followed in second and third place respectively.

FIGURE 3: SOUTH AFRICA TRADE BY WORLD REGIONS, % SHARE, 2022

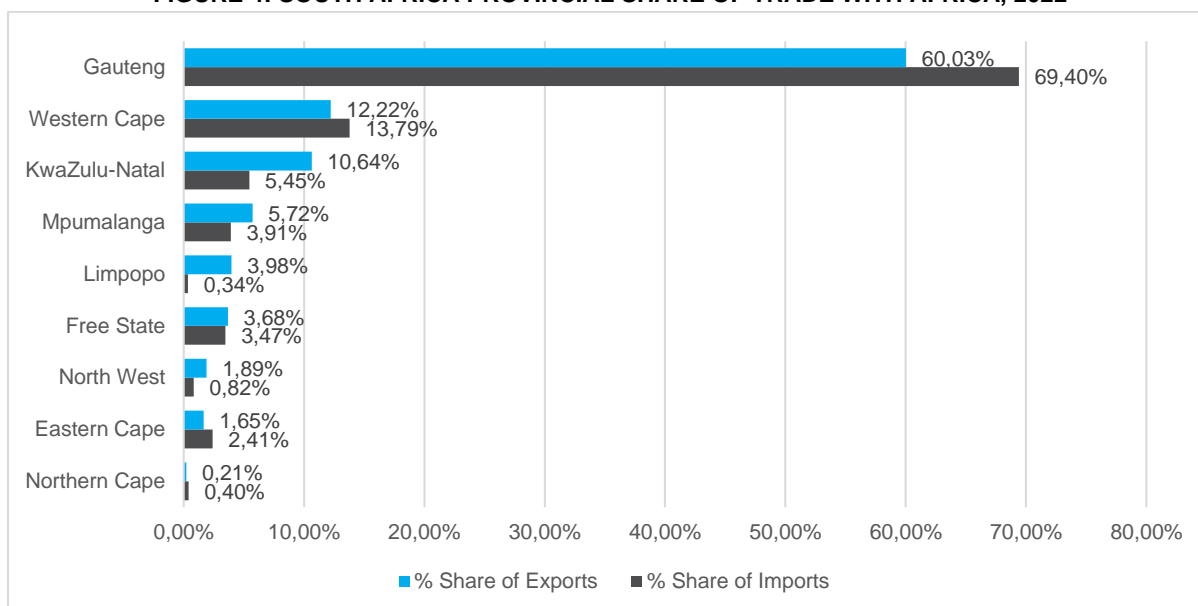


Source: Quantec, 2023

1.2 Provincial share of trade

Traditionally, Gauteng is South Africa's largest exporting and importing province. In 2022, Gauteng recorded ZAR294.4bn worth of export receipts with the African continent, equivalent to 60% of South Africa's exports earnings with Africa. Similarly, at a cost of ZAR105.5bn, Gauteng accounted for 69.4% of South Africa's imports with Africa in 2022. The Western Cape, with export receipts of ZAR59.9bn in 2022 (equivalent to 12.22% of national exports) was South Africa's second largest exporting province, and the second largest import province at a cost of ZAR20.9bn (13.79% of national imports) in 2022.

FIGURE 4: SOUTH AFRICA PROVINCIAL SHARE OF TRADE WITH AFRICA, 2022



Source: Quantec, 2023

1.3 Top traded products

Petroleum oils, other than crude was South Africa's dominant export product to Africa in 2022, valued at ZAR30.67bn, equivalent to 6.25% of total export receipts earned with Africa in 2022. Coal placed second at a value of ZAR27.89bn (5.68%), followed by ferro-alloys at ZAR17.05bn (3.47%).

In turn, crude petroleum oils was South Africa's dominant import product category from trade with Africa in 2022, at a cost of ZAR46.44bn and equivalent to 30.57% of all import costs incurred with the Continent in this year. Petroleum gases and other gaseous hydrocarbons followed in second place at a cost of ZAR8.97bn (5.91% of African imports), while gold came third at a value of ZAR7.62bn (5.01%).

TABLE 1: TOP 10 SOUTH AFRICAN TRADE PRODUCTS WITH AFRICA, 2022

TOP 10 SA EXPORTS TO THE REST OF AFRICA, 2022				TOP SA WC IMPORTS FROM THE REST OF AFRICA, 2022			
RANK	PRODUCT	VALUE 2022 (ZARbn)	AVE GROWTH % 2018-2022	RANK	PRODUCT	VALUE 2022 (ZARbn)	AVE GROWTH % 2018-2022
1	Petroleum oils, other than crude	30.67	14.11%	1	Petroleum oils, crude	46.44	6.76%
2	Coal	27.89	67.31%	2	Petroleum gases and other gaseous hydrocarbons	8.97	23.22%
3	Ferro-alloys	17.05	79.96%	3	Gold (including gold plated with platinum)	7.62	16.11%
4	Chromium ores and concentrates	16.26	24.13%	4	Mixtures of odoriferous substances and mixtures (including alcoholic solutions)	5.43	1.57%
5	Motor vehicles for the transport of goods	14.68	6.70%	5	Electrical energ	4.69	17.60%
6	Electrical energy	11.03	7.11%	6	Petroleum oils, other than crude	4.27	38.13%
7	Diamonds	9.68	12.81%	7	Cane or beet sugar and chemically pure sucrose,	3.66	6.46%
8	Iron ores and concentrates, including roasted iron pyrites	8.68	58.75%	8	Diamonds	3.59	14.54%

9	Mineral or chemical fertilisers, nitrogenous	7.58	27.06%	9	Men's or boys' suits, ensembles, jackets, blazers, trousers, (other than swimwear)	3.40	13.74%
10	Parts suitable for use solely or principally with the machinery	6.13	9.37%	10	Refined copper and copper alloys	3.1	27.76%
TOTAL EXPORTS		491.03	10.30%	TOTAL IMPORTS		151.91	8.62%

Source: Quantec, 2023

1.4 Top trade markets

In terms of key export markets on the African continent, Mozambique was the top African market for South Africa's exports in 2022, with goods valued of ZAR95.66bn and equivalent to 19.48% of all African export receipts. Botswana followed in second place, with exports to the country reaching a total value of ZAR74.61bn (15.56%), while Namibia came third, with exports to the value of ZAR56.72bn (11.55%).

Nigeria was the leading African market for South Africa's imports in 2022, at ZAR36.92bn worth of goods. This was equivalent to 24.3% of total African import costs. Swaziland followed in second place with imports reaching a total value of ZAR22.05bn (14.52%). Namibia came third, with imports reaching a total value of ZAR16.96bn (11.16%) in 2022.

TABLE 2: TOP 10 AFRICAN COUNTRIES FOR SOUTH AFRICA EXPORTS AND IMPORTS, 2021

TOP 10 AFRICAN COUNTRIES FOR SA EXPORTS, 2022				TOP 10 AFRICAN COUNTRIES FOR SA IMPORTS, 2022			
RANK	COUNTRY	VALUE 2022 (ZARbn)	% GROWTH 2018-2022	RANK	COUNTRY	VALUE 2022 (ZARbn)	% GROWTH 2018-2022
1	Mozambique	95.66	21.80%	1	Nigeria	36.92	19.68%
2	Botswana	76.41	8.87%	2	Swaziland	22.05	6.51%
3	Namibia	56.72	4.20%	3	Namibia	16.96	9.15%
4	Zimbabwe	52.51	14.10%	4	Mozambique	15.54	6.78%
5	Zambia	44.36	9.18%	5	Botswana	11.20	15.40%
6	Swaziland	25.43	8.45%	6	Angola	7.80	69.19%
7	Lesotho	23.72	6.38%	7	Lesotho	5.41	5.92%
8	Democratic Republic of the Congo	23.67	18.32%	8	Togo	4.67	116.86%
9	Mauritius	10.05	19.01%	9	Mauritius	4.33	16.18%
10	United Republic of Tanzania	8.85	9.91%	10	Zambia	3.89	9.46%
TOTAL EXPORTS		491.03	10.30%	TOTAL IMPORTS		151.91	8.62%

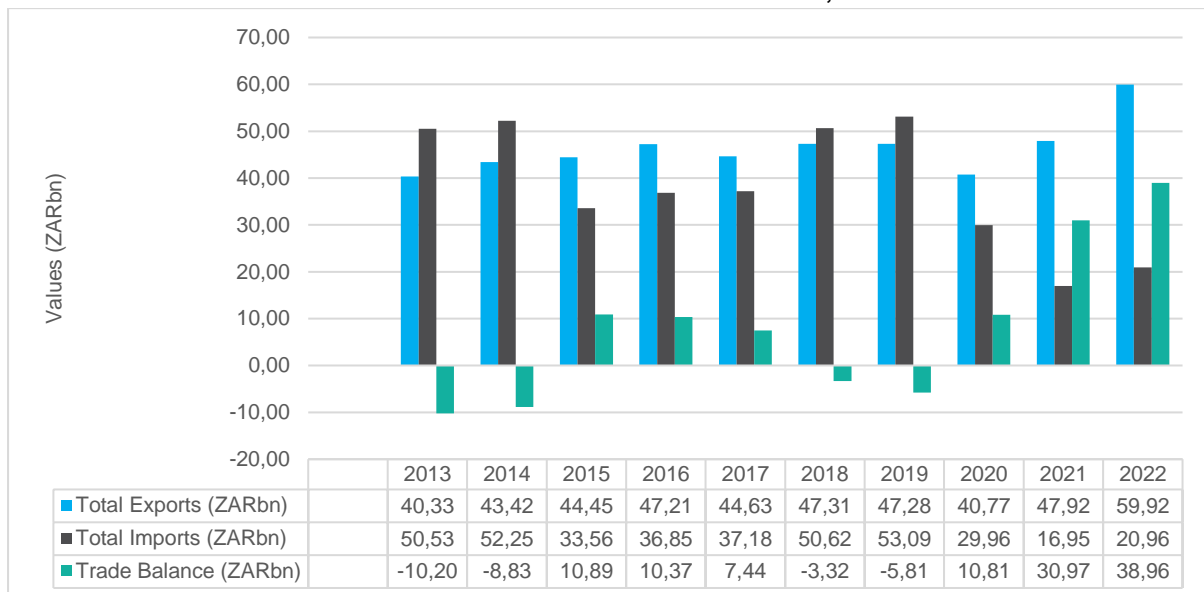
Source: Quantec, 2023

2. Western Cape Trade with Africa

The Western Cape has been a net exporter of products to the rest of Africa in recent years, with the province recording a positive - and rising - trade balance with the continent post-2019. The Western Cape's exports to the Continent have risen overall over the past ten years (albeit with fluctuation), from a value of ZAR40.33bn earned in 2013, to ZAR59.92bn in 2022.

The Western Cape's exports to Africa rose to a value of ZAR59.92bn in 2022, an increase of 25.04% y-o-y from ZAR49.92bn earned in 2021. Imports in turn increased by 23.67% y-o-y to a value of ZAR20.96bn in 2022, up from ZAR16.95bn incurred in 2021. The increase in exports can be attributed in part to a notable 456% y-o-y increase in coal product exports to Africa, which was largely reflective of the significant increase in global coal and related-product prices seen post February 2022. Albeit off a lower base, rice (177.11% y-o-y) and fruits (100.19% y-o-y) exports also recorded notable increase in export values to Africa in 2022.

FIGURE 5: WESTERN CAPE TRADE WITH AFRICA, 2013 - 2022

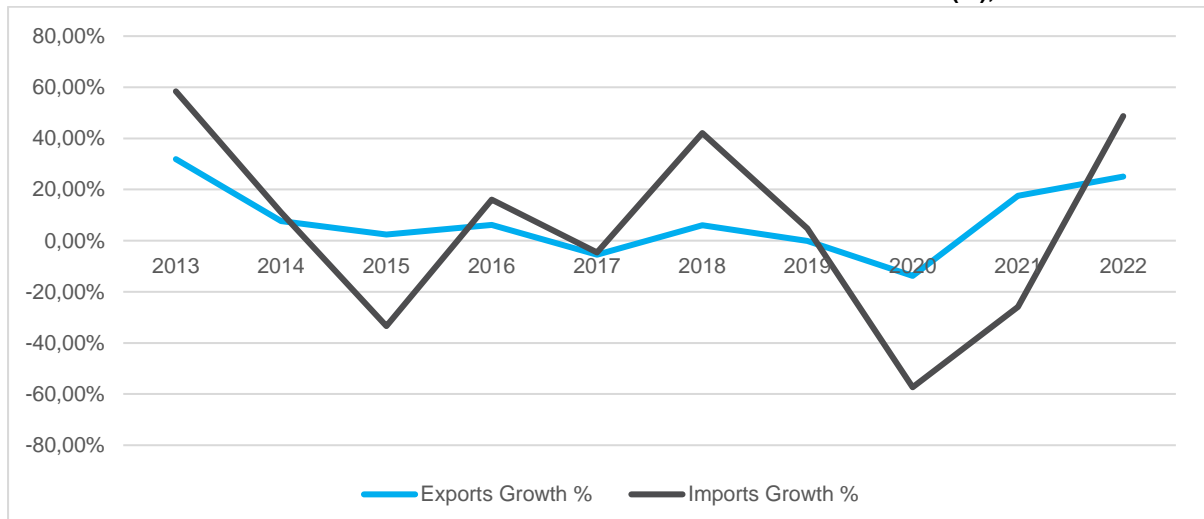


Source: Quantec, 2023

Growth

The graph below reflects the growth in annual trade between the Western Cape and the African continent for the period 2013 to 2022. The province's annual exports growth averaged 7.74% during this period. Imports growth, in turn, averaged -1.75% for the said period.

FIGURE 6: WESTERN CAPE'S GROWTH RATES OF TRADE WITH AFRICA (%), 2013-2022



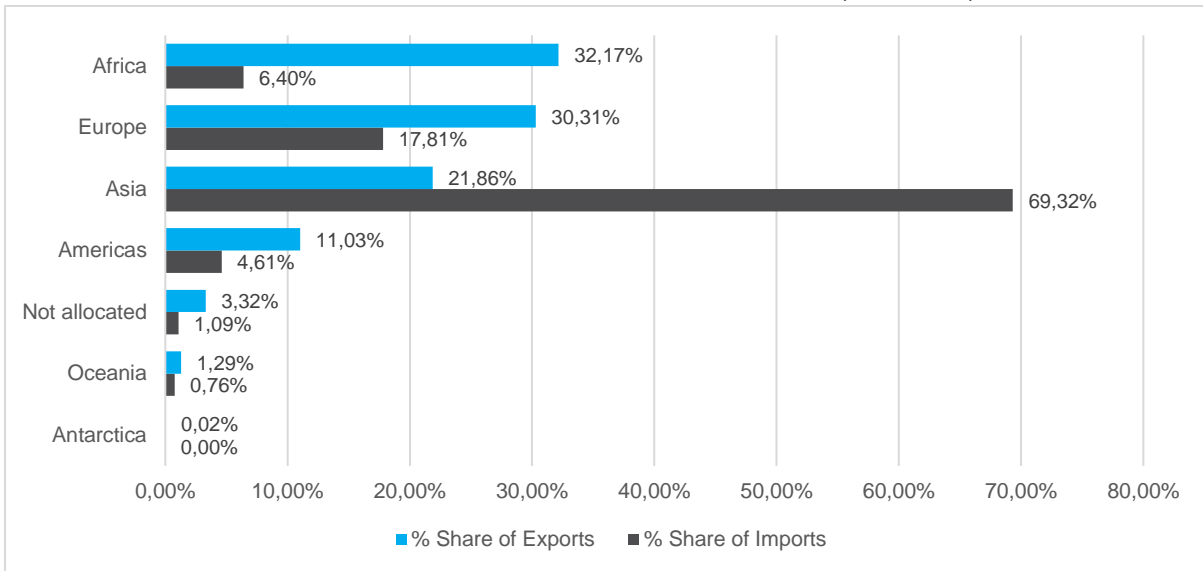
Source: Quantec, 2023

2.1 Western Cape's trade with world regions

Africa was the Western Cape's top export region in 2022, which at a value of ZAR59.92bn accounted for a 32.71% share of the province's global exports. This was followed by Europe (ZAR56.44bn; 30.31%) and Asia (ZAR40.71bn; 21.86%).

Asia was the province's largest import region in 2022, which at a cost of ZAR226.97bn dominated with a share of 69.32% of global imports. Europe (ZAR58.31bn; 17.81%) and Africa (ZAR20.96bn; 6.40%) followed in second and third place respectively.

FIGURE 7: WESTERN CAPE TRADE BY WORLD REGIONS, % SHARE, 2022

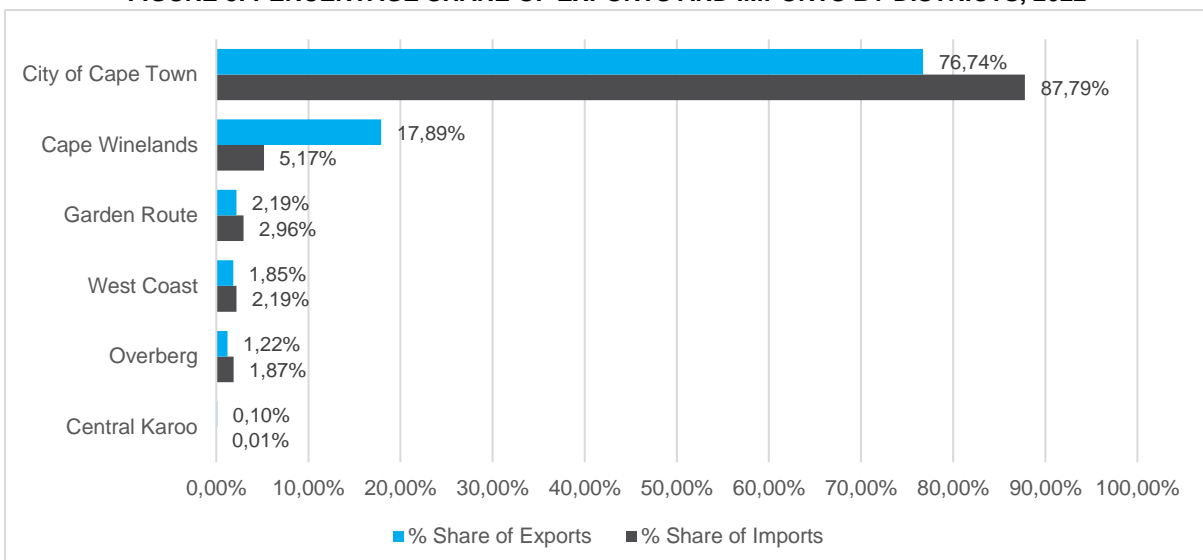


Source: Quantec, 2023

2.2 Districts' share of trade

The Western Cape's districts share of trade with Africa is shown in figure 8 below. Traditionally, most of the province's international trade is accounted for by the City of Cape Town. With export earnings of ZAR45.9bn from trade associated with Africa in 2022, Cape Town accounted for 76.74% of the province's African exports. Similarly, with import costs of ZAR18.39bn incurred with Africa in 2022, the City accounted for 87.79% of the province's African imports in that year. The Cape Winelands (ZAR10.72bn; 17.89%) and the Garden Route (ZAR1.31bn; 5.17%) districts accounted for the second and third largest shares of provincial exports in 2022, respectively.

FIGURE 8: PERCENTAGE SHARE OF EXPORTS AND IMPORTS BY DISTRICTS, 2022



Source: Quantec, 2023

2.3 Top traded products

Petroleum oils, other than crude was the Western Cape's dominant export category to the rest of Africa in 2022, which at a value of ZAR9.95bn, was equivalent to 16.61% of all export receipts earned from trade with Africa in 2022. Coal placed second at a value of ZAR4.03bn (6.73%), followed by apples, pears, and quinces at ZAR2.30bn (3.85%).

Crude petroleum oils was the Western Cape's dominant import category from Africa in 2022, which at a cost of ZAR4.85bn was equivalent to 23.14% of all import costs incurred. Fish imports placed second at a cost of ZAR1.81bn (or 8.63%), while men's or boys' suits, ensembles, jackets, blazers, trousers came third at a cost of ZAR1.65bn (or 7.89%).

TABLE 3: TOP 10 WESTERN TRADE PRODUCTS WITH AFRICA, 2022

TOP 10 SA EXPORTS TO THE REST OF AFRICA, 2022				TOP SA WC IMPORTS FROM THE REST OF AFRICA, 2022			
RANK	PRODUCT	VALUE 2022 (ZARbn)	AVE GROWTH % 2018-2022	RANK	PRODUCT	VALUE 2022 (ZARbn)	AVE GROWTH % 2018-2022
1	Petroleum oils, other than crude	9.95	14.56%	1	Petroleum oils, crude	4.85	-13.18%
2	Coal	4.03	576.56%	2	Fish	1.81	18.67%
3	Apples, pears, and quinces	2.30	12.85%	3	Men's or boys' suits, ensembles, jackets, blazers, trousers	1.65	18.77%
4	Wine	1.73	8.77%	4	T-shirts, singlets, and other vests	1.30	8.71%
5	Fruit juices (including grape must) and vegetable juices	1.51	2.38%	5	Petroleum gases and other gaseous hydrocarbons	1.21	-
6	Other fermented beverages (for example, cider, perry, mead)	1.40	25.15%	6	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers	0.88	12.22%
7	Cigars, cheroots, cigarillos, and cigarettes	1.05	-7.67%	7	Petroleum oils, other than crude	0.78	72.01%
8	Sulphur of all kinds, other than sublimed sulphur	0.98	22.67%	8	Mixtures of odoriferous substances and mixtures	0.73	7.85%
9	Petroleum gases and other gaseous hydrocarbons	0.97	36.77%	9	Men's or boys' shirts, knitted or crocheted	0.50	24.91%
10	Sauces and preparations therefor; mixed condiments and mixed seasonings	0.85	15.02%	10	Women's or girls' suits, ensembles, jackets, blazers, dresses, (knitted or crocheted)	0.46	20.53%
TOTAL EXPORTS		59.92	6.95	TOTAL IMPORTS		20.96	-4.46%

Source: Quantec, 2023

2.4 Top trade markets

In terms of key African export markets, Botswana was the leading African market for Western Cape exports in 2022, which at a value of ZAR12.28bn was equivalent to 20.49% of total African export receipts earned in 2022. Namibia followed closely in second place, with exports reaching a total value of ZAR12.04bn (20.10%), while Mozambique came third, with exports to this nation reaching a total value of ZAR4.36bn (7.29%).

Nigeria was the top African source market for the Western Cape's imports in 2022, which at a value of ZAR3.11bn, was equivalent to 14.84% of the province's total African imports in the said year. Swaziland followed in second place with imports reaching a total value of ZAR3.03bn (14.46%). Mauritius came third, with imports valued at ZAR2.48bn (11.83%) in 2022.

TABLE 4: TOP 10 AFRICAN COUNTRIES FOR WESTERN EXPORTS AND IMPORTS, 2022

TOP 10 AFRICAN COUNTRIES FOR WC EXPORTS, 2022				TOP 10 AFRICAN COUNTRIES FOR WC IMPORTS, 2022			
RANK	COUNTRY	VALUE 2022 (ZARbn)	% GROWTH 2018-2022	RANK	COUNTRY	VALUE 2022 (ZARbn)	% GROWTH 2018-2022
1	Botswana	12.28	13.60%	1	Nigeria	3.11	16.39%
2	Namibia	12.04	1.54%	2	Swaziland	3.03	4.42%
3	Mozambique	4.36	19.39%	3	Mauritius	2.48	19.36%
4	Lesotho	4.26	11.37%	4	Namibia	2.32	1.15%
5	Zambia	3.82	7.43%	5	Madagascar	2.13	20.60%
6	Swaziland	3.61	8.35%	6	Congo	1.78	18985.57%
7	Zimbabwe	3.50	19.42%	7	Togo	1.49	125.66%
8	Mauritius	3.42	50.87%	8	Morocco	1.34	32.43%
9	Nigeria	1.58	6.45%	9	Lesotho	0.79	11.00%
10	Angola	1.47	-5.14%	10	Angola	0.5	-29.15%
TOTAL EXPORTS		59.92	6.95%	TOTAL IMPORTS		20.96	-4.46%

Source: Quantec, 2023

The top products (HS4) **exported** by the Western Cape to the top African markets in 2022 are shown below:

Botswana

- Petroleum oils, other than crude (ZAR5.86bn)
- Other fermented beverages (for example, cider, perry, mead) (ZAR544.14m)
- Rice (ZAR436.35m)
- Fruit juices (including grape must) and vegetable juices (ZAR382.76m)
- Sauces and preparations therefor (ZAR342.77m)

Namibia

- Wine (ZAR436.03m)
- Petroleum oils, other than crude (ZAR312.43m)
- Cigars, cheroots, cigarillos, and cigarettes (ZAR304.10m)
- Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol. (ZAR268.19m)
- Articles for the conveyance or packing of goods, of plastics; stoppers (ZAR242.22m)

Mozambique

- Coal products (ZAR1.22bn)
- Chromium ores and concentrates (ZAR842.97m)
- Other fermented beverages (for example, cider, perry, mead) (ZAR362.81m)
- Frozen fish (ZAR284.87m)
- Fruit juices (including grape must) and vegetable juices (ZAR149.38m)

Lesotho

- Petroleum oils, other than crude (ZAR1.72bn)
- Cigars, cheroots, cigarillos, and cigarettes (ZAR259.52m)
- Other made-up clothing accessories; parts of garments or of clothing accessories (ZAR172.71m)
- Other manufactured tobacco and manufactured tobacco substitutes (ZAR94.19m)
- Other fermented beverages (for example, cider, perry, mead) (ZAR82.07m)

Zambia

- Sulphur of all kinds, other than sublimed sulphur (ZAR766.03m)
- Other fermented beverages (for example, cider, perry, mead) (ZAR143.69m)
- Refrigerators, freezers and other refrigerating or freezing equipment (ZAR141.87m)
- Monitors and projectors, not incorporating television reception apparatus; reception apparatus for television (ZAR120.85m)
- Flours, meals, and pellets, of meat or meat offal (ZAR104.70m)

The top products (HS4) **imported** by the Western Cape from the top African import source markets in 2022 are shown below:

Nigeria

- Petroleum oils, crude (ZAR3.08bn)
- Polyacetals, other polyethers and epoxide resins (ZAR12.53m)
- Coconuts, Brazil nuts and cashew nuts (ZAR8.17m)
- Ginger, saffron, turmeric (curcuma), thyme, bay leaves, curry, and other spices (ZAR4.39m)
- Other vegetables (ZAR1.17m)

Swaziland

- Mixtures of odoriferous substances and mixtures (including alcoholic solutions) (ZAR727.36m)
- Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts (other than swimwear) (ZAR329.83m)
- Other knitted or crocheted fabrics (ZAR278.96m)
- Prepared binders for foundry moulds or cores (ZAR267.30m)
- Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches, and shorts (other than swimwear) (ZAR254.14m)

Mauritius

- Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches, and shorts (other than swimwear) (ZAR1.09bn)
- T-shirts, singlets, and other vests, knitted or crocheted (ZAR359.31m)
- Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers (other than swimwear) (ZAR250.01m)
- Men's or boys' shirts, knitted or crocheted (ZAR146.02m)
- Aluminium bars, rods, and profiles (ZAR127.92m)

Namibia

- Frozen fish (ZAR463.43m)
- Fish fillets and other fish meat (ZAR416.89m)
- Live bovine animals (ZAR219.99m)
- Ships' derricks; cranes, including cable cranes (ZAR198.74m)
- Prepared or preserved fish; caviar and caviar substitutes prepared from fish eggs (ZAR149.85m)

Madagascar

- T-shirts, singlets, and other vests (ZAR545.93m)
- Jerseys, pullovers, cardigans, waistcoats, knitted or crocheted (ZAR332.51m)
- Men's or boys' suits, ensembles, jackets, blazers, trousers (other than swimwear) (ZAR255.49m)
- Men's or boys' shirts, knitted or crocheted (ZAR163.45m)
- Men's or boys' shirts (ZAR162.83m)

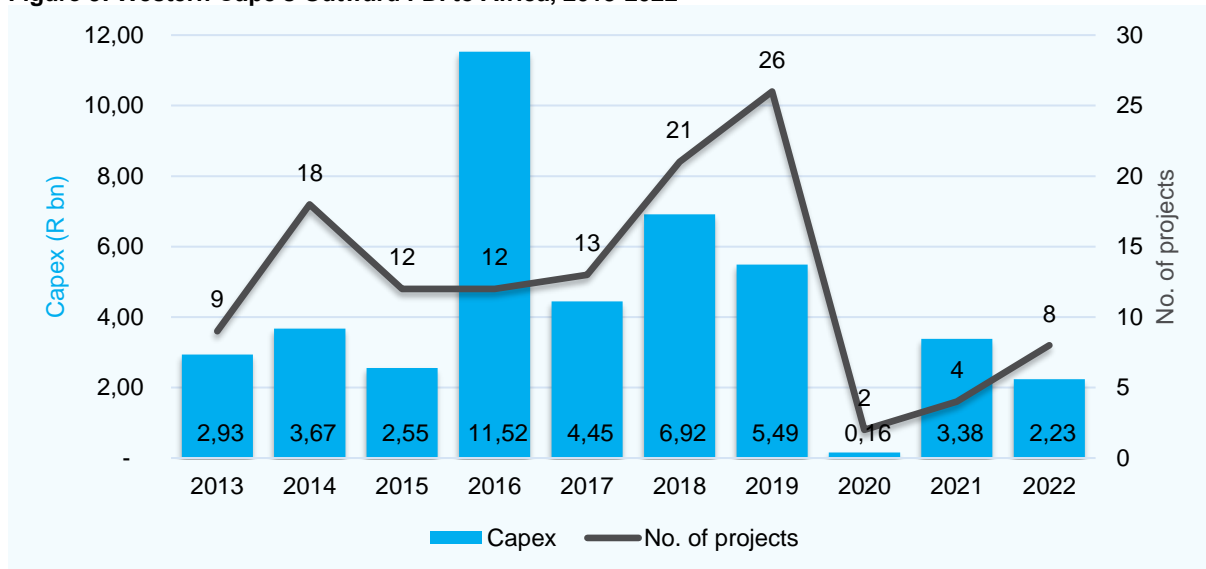
3. Foreign Direct Investment

This section analyses Africa's foreign direct investment (FDI) flows with the Western Cape between January 2013 and December 2022. During this period, Africa was the third and fourth largest destination region for capex and inward FDI projects, respectively, into the Western Cape. The continent was also the top destination for outward FDI from the Western Cape in terms of both the number of projects and capex. Africa accounted for about 45% of the province's outward FDI projects and 58% of capex.

3.1 FDI outflows from the Western Cape to the rest of Africa

This section analyses the Western Cape's FDI outflows to the rest of Africa. During the period under consideration, a total of 125 FDI projects were recorded into Africa from the Western Cape, 93.6% of which were new projects. These projects represent a total capital investment of R43.30 billion, which is an average investment of R346.7 million per project. Approximately 13 452 jobs were created as a result of these projects. Figure 9 shows that capex by Western Cape companies into Africa peaked at R11.52 billion in 2016, while the number of projects peaked in 2019, with a total of 26 projects.

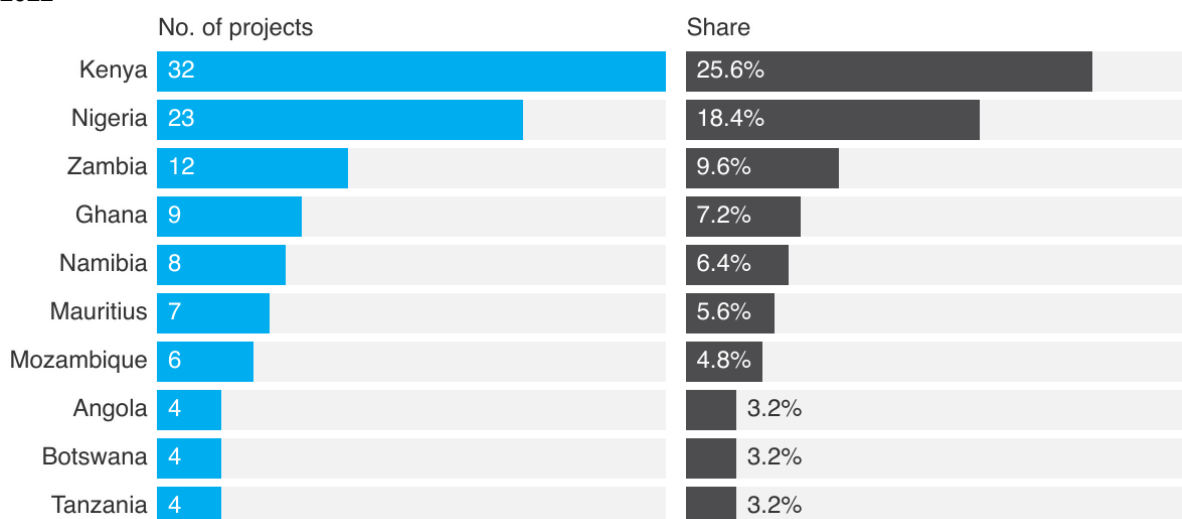
Figure 9: Western Cape's Outward FDI to Africa, 2013-2022



Source: FDI Intelligence (2023)

Figure 10 shows the destination markets for the Western Cape's outward FDI projects into Africa during the period under consideration. Kenya was the largest destination market, with 32 FDI projects, representing 25.6% of total projects. This was followed by Nigeria and Zambia, with 23 and 12 projects respectively.

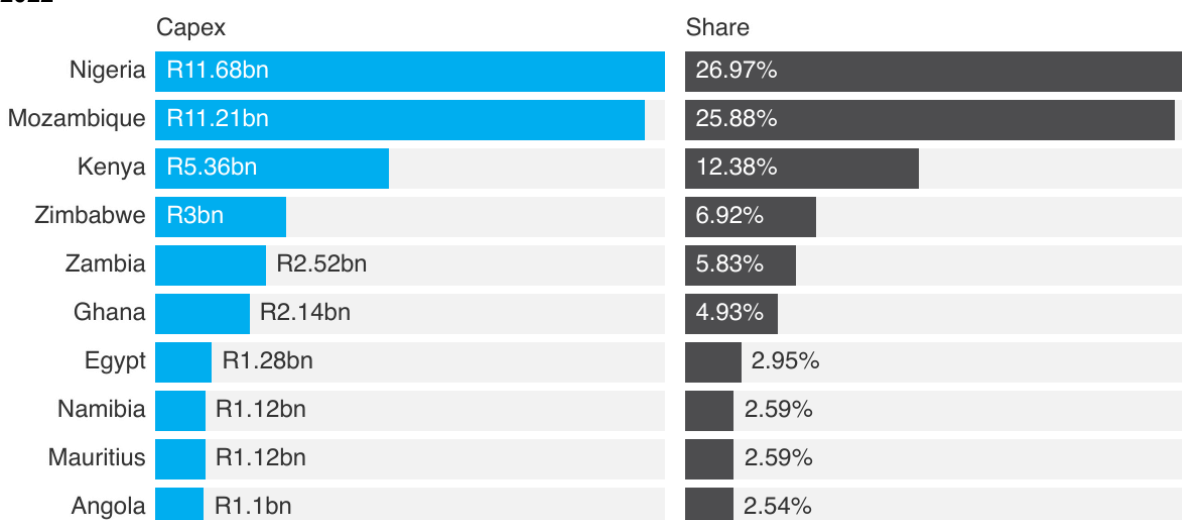
Figure 10: Outward FDI from the Western Cape to Africa: top 10 destination markets by projects, 2013-2022



Source: FDI Intelligence (2023)

The top two destination markets, in terms of capex, accounted for more than 50% of the Western Cape's outward FDI into Africa. As shown in Figure 11, Nigeria was the largest destination market based on the capex value of projects, accounting for 26.97% of total capex, followed by Mozambique (25.88%).

Figure 11: Outward FDI from the Western Cape to Africa: top 10 destination markets by projects, 2013-2022



Source: FDI Intelligence (2023)

Food and beverages (24%); financial services (20%) and software and IT services (116.8%) were the top three sectors for outward FDI projects from the Western Cape to Africa. In terms of capex, real estate (38.32); food and beverages (17.29%); and business services (15.76%) were the top three sectors.

Table 5: Outward FDI from Western Cape to Africa: by sector, 2013-2022

Industry Sector	No. of projects	Share of project	Capex (Rbn)	Share of capex	Jobs created	No. of companies
Food & Beverages	30	24.00%	7.49	17.29%	4583	4
Financial services	25	20.00%	3.59	8.28%	738	7
Software & IT services	21	16.80%	1.69	3.90%	397	12
Business services	16	12.80%	6.82	15.76%	398	8
Consumer products	13	10.40%	2.06	4.76%	3815	5
Communications	9	7.20%	1.19	2.75%	361	3
Real estate	6	4.80%	16.60	38.32%	2721	2
Textiles	2	1.60%	0.62	1.43%	289	2
Business machines & equipment	1	0.80%	0.08	0.18%	36	1
Hotels & tourism	1	0.80%	0.39	0.91%	70	1
Renewable energy	1	0.80%	2.77	6.40%	44	1
Total	125	100.00%	43.30	100.00%	13452	45

Source: FDI Intelligence (2023)

The top company from the Western Cape investing in the rest of Africa, in terms of the number of FDI projects, was Shoprite (23 projects), followed by Naspers (13 projects) and Carrick Wealth (10 projects). Moreover, the largest capital investment was made by Shoprite (R13.78 billion), followed by Novare Holdings (R6.86 billion) and Old Mutual (R3.94 billion).

Table 6: Top 12 Western Cape companies investing in Africa, 2013-2022

Parent company	No. of projects	Share of projects	Parent company1	Capex (Rbn)	Share of capex
1 Shoprite	23	18.40%	1 Shoprite	13.78	31.82%
2 Naspers	13	10.40%	2 Novare Holdings	6.86	15.84%
3 Carrick Wealth	10	8.00%	3 Old Mutual Limited	3.94	9.09%
4 Old Mutual Limited	9	7.20%	4 Remgro	2.77	6.39%
5 Jumo.World	6	4.80%	5 Naspers	1.72	3.97%
6 Novare Holdings	5	4.00%	6 SweepSouth	1.71	3.94%
7 Sanlam Group	5	4.00%	7 Carrick Wealth	1.46	3.37%
8 The Foschini Group	5	4.00%	8 The Valuator Group	1.28	2.95%
9 Pick n Pay Holdings	4	3.20%	9 African News Agency	1.28	2.95%
10 Remgro	4	3.20%	10 Irvine Partners	0.85	1.97%
11 SweepSouth	4	3.20%	11 The Foschini Group	0.83	1.91%
12 Woolworths (South Africa)	4	3.20%	12 Sanlam Group	0.81	1.87%

Source: FDI Intelligence (2023)

3.2 FDI inflows from the rest of Africa into the Western Cape

Between January 2013 and December 2022, a total of 9 FDI projects were recorded from the rest of Africa to the Western Cape. These projects represent a total capital investment of R16.03 billion, which is an average investment of R1.78 billion per project. During the period, a total of 1601 jobs were created. Mauritius was the top source market in terms of both the number of projects and capex, accounting for 44% of projects and 61% of capex. Six of the nine projects were in the communications sector. The sector also accounted for approximately 91% of total capital investment.

Table 7: Companies from Africa investing in the Western Cape, 2013-2022

Project date	Investing company	Source country	Sector	Jobs created	Capex (Rbn)
Feb 2013	Telecom Namibia	Namibia	Communications	70	2.43
Jul 2013	Northern Textile Mills (NORTEX)	Botswana	Textiles	1163	1.23
Oct 2014	Air Botswana	Botswana	Transportation & Warehousing	9	0.13
Nov 2017	Angola Cables	Angola	Communications	70	2.43
Feb 2018	Africa Data Centres	Mauritius	Communications	70	2.43
Dec 2021	Open Access Data Centres (OADC)	Mauritius	Communications	70	2.43
Jun 2022	Africa Data Centres	Mauritius	Communications	70	2.43
Jul 2022	Hightech Payment Systems (HPS Worldwide)	Morocco	Software & IT services	9	0.08
Dec 2022	Open Access Data Centres (OADC)	Mauritius	Communications	70	2.43
Total				1601	16.03

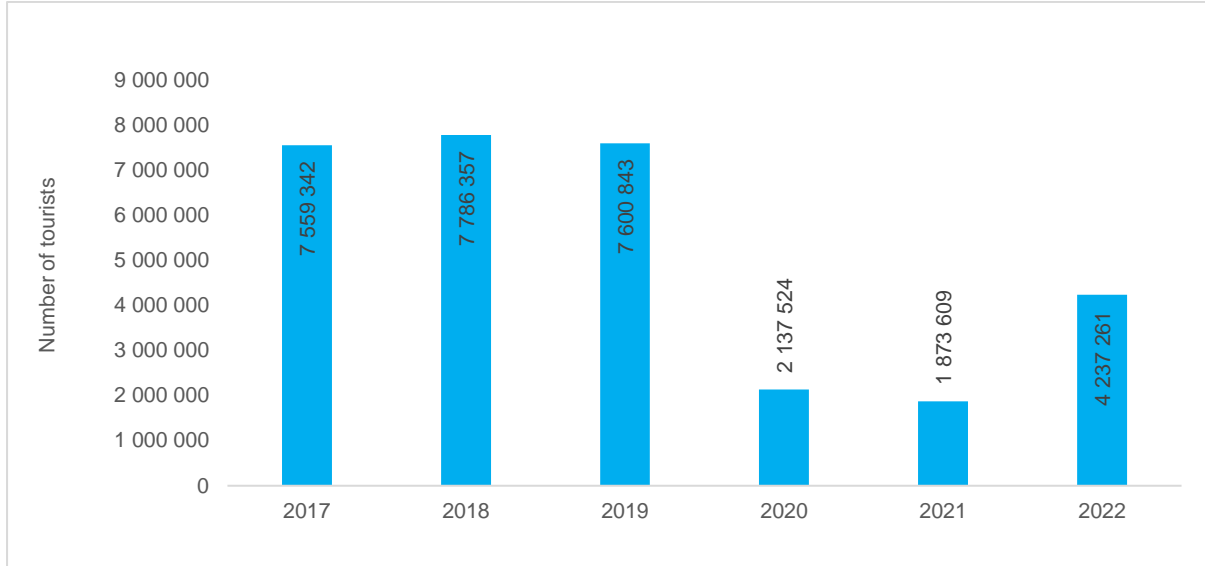
Source: FDI Intelligence (2023)

4. Tourism Market Overview: Africa

4.1 African Tourist Arrivals to South Africa

Figure 12 reflects the number of African tourist arrivals to South Africa over the period 2017 through 2022. Although still well below levels recorded prior to the global pandemic, 2022 saw a notable recovery in African tourists to South Africa, which at 4,237,261 represented a growth of 126.15% y-o-y from 2021 levels recorded.

FIGURE 12: AFRICA TOURIST ARRIVALS INTO SOUTH AFRICA, 2017 - 2022



Source: South African Tourism, 2023

In 2022, Zimbabwe led as the top African source market to South Africa, which at 1,233,790, represented a 200% y-o-y increase in comparison to 2021, and a recovery of 55% when compared to 2019.

TABLE 6: TOP AFRICA MARKETS TO SOUTH AFRICA, 2018-2022

Ranking	Markets	2018	2019	2020	2021	2022	y-o-y % change	% Recovery over 2019
1	Zimbabwe	2 208 930	2 258 794	684 546	410 730	1 233 790	200%	55%
2	Mozambique	1 360 896	1 333 195	422 537	522 866	944 308	81%	71%
3	Lesotho	1 739 188	1 563 448	448 745	355 255	835 921	135%	53%
4	Swaziland	883 735	917 631	214 947	177 650	403 762	127%	44%
5	Botswana	688 566	668 315	129 467	103 158	262 232	154%	39%
6	Namibia	200 367	184 431	54 511	91 471	137 388	50%	74%
7	Zambia	165 968	152 064	46 486	68 669	116 076	69%	76%
8	Malawi	197 317	199 079	53 365	56 313	114 352	103%	57%
9	Angola	64 859	61 995	61 995	9 312	32 194	246%	52%
10	Tanzania	36 473	38 277	38 277	13 248	26 268	98%	69%

Source: South African Tourism, 2023

4.2 Africa Tourism Performance: Provincial Distribution

Tourist arrivals from Africa into the Western Cape grew by 139% y-o-y in 2022 and recovered by 77% against 2019. In 2022, of all nine provinces, the **Western Cape** ranked:

7th Highest in Africa tourist arrivals: 214,613
2nd Highest in Africa tourists' Total Foreign Direct Spend: R2.6 billion
4th Highest in Africa tourists' total bed nights: 4.0 million and
3rd Highest in Africa tourists' total formal bed nights: 441,100

PROVINCIAL TOURISM PERFORMANCE BY AFRICA TOURIST ARRIVALS, 2022						
Province	Tourist Arrivals from Africa	2022/21 % Change in Africa Tourist Arrivals	2022/19 % Recovery in Africa Tourist Arrivals	Total Foreign Direct spend (billions)	Total Bed-nights	*Formal Bed Nights
Gauteng	1,738,220	129%	77%	R13.2	19,343,900	969,500
Western Cape	214,613	139%	77%	R2.6	4,023,300	441,100
Eastern Cape	40,874	211%	67%	R0.4	1,163,300	165,900
KwaZulu Natal	389,862	81%	86%	R1.6	3,584,900	198,300
Mpumalanga	973,448	113%	85%	R2.3	7,366,900	105,100
Limpopo	322,060	315%	17%	R1.4	1,119,400	52,800
North West	215,530	96%	46%	R0.6	1,664,100	101,600
Northern Cape	93,100	30%	117%	R0.1	243,700	116,300
Free State	590,118	171%	65%	R1.1	6,662,900	570,700

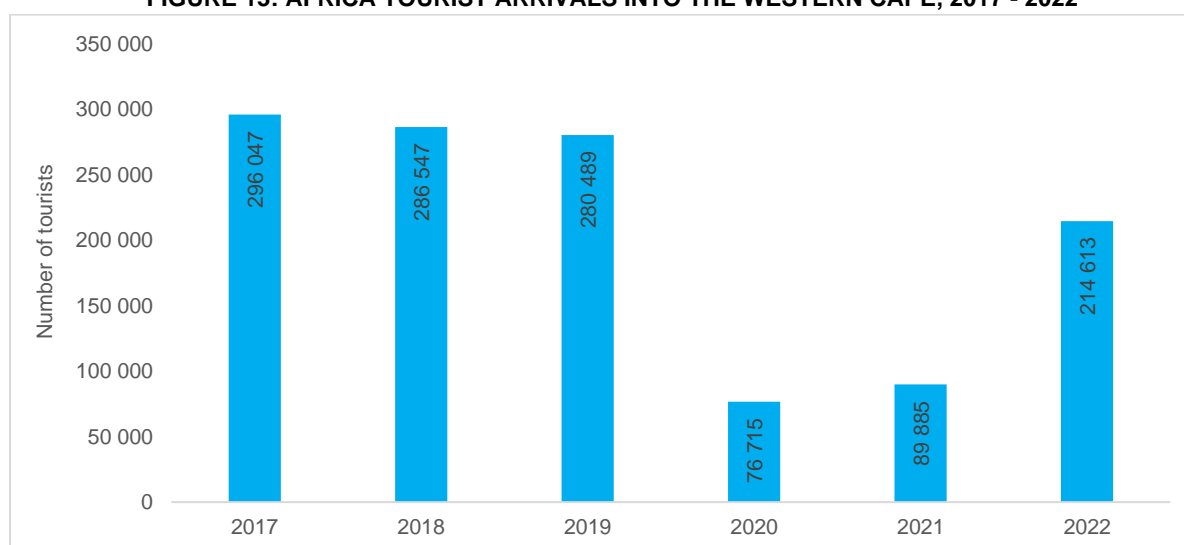
Source: SA Tourism, 2023

NOTE: Formal bed nights- All paid bed nights, excluding hospital, camping, train, and ship accommodation.

4.3 African Tourist Arrivals into the Western Cape

The number of tourist arrivals from Africa into the Western Cape between 2017 and 2022 is shown in the figure below. The province saw an increase in the number of African tourist arrivals in 2022, which at 214,613 represented an increase of 138.76% y-o-y when compared to 2021s arrivals (89,885).

FIGURE 13: AFRICA TOURIST ARRIVALS INTO THE WESTERN CAPE, 2017 - 2022



Source: South African Tourism, 2022

In 2022, the Western Cape welcomed a total of 75,351 tourists arrivals originating from Namibia, followed by Zimbabwe (47,503) and Lesotho (20,992). Tourist arrivals from Namibia to the province represented a 56% year-

on-year increase when compared to 2021. This market fully recovered to 101% when compared to 2019 tourist arrival numbers.

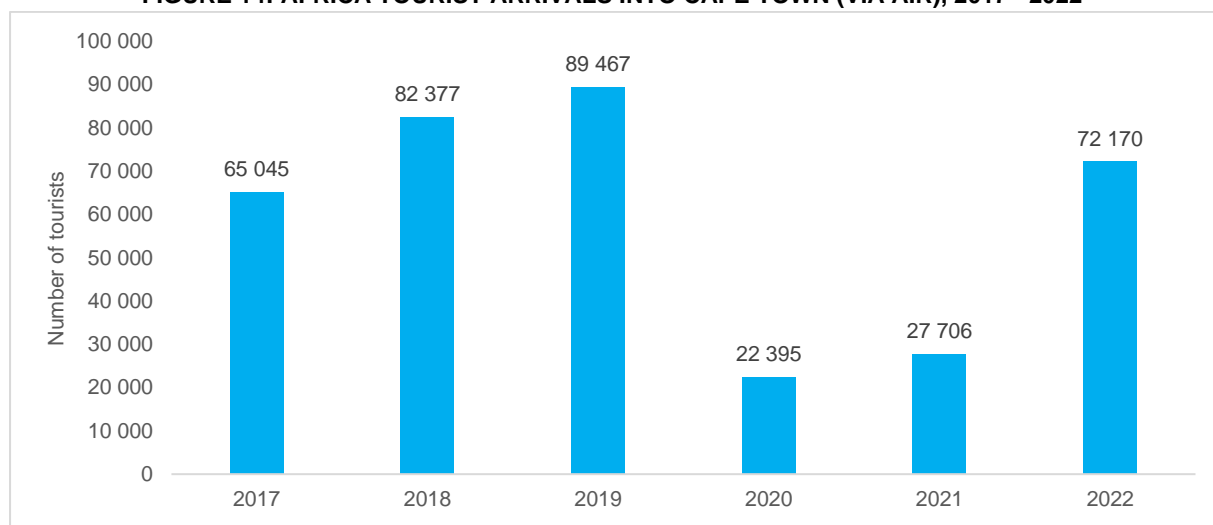
TABLE 8: TOP AFRICA MARKETS TO THE WESTERN CAPE, 2018-2022								
Rank	Markets	2018	2019	2020	2021	2022	y-o-y % change	% Recovery over 2019
1	Namibia	105 817	74 734	28 566	48 454	75 351	56%	101%
2	Zimbabwe	35 714	39 166	7 963	7 283	47 503	552%	121%
3	Lesotho	31 547	32 077	12 378	11 133	20 992	89%	65%
4	Malawi	17 229	23 289	6 447	1 660	9 732	486%	42%
5	Angola	17 348	19 755	3 652	2 714	8 688	220%	44%
6	Mozambique	10 892	13 942	2 739	2 597	7 439	186%	53%
7	Zambia	4 768	5 991	1 405	2 071	6 571	217%	110%
8	Botswana	8 399	11 059	2 397	1 668	5 599	236%	51%
9	Ghana	3 929	4 298	771	1 645	4 669	184%	109%
10	Kenya	3 532	6 455	958	910	4 193	361%	65%

Source: South African Tourism, 2022

4.4 Africa Tourist Arrivals into Cape Town (via air)

The number of African tourist arrivals into Cape Town via air is depicted in the figure below. In 2022, African tourist arrivals by air into Cape Town increased by 166.24% y-o-y; and increased by 222.26% when compared to 2020.

FIGURE 14: AFRICA TOURIST ARRIVALS INTO CAPE TOWN (VIA AIR), 2017 - 2022



Source: StatsSA, 2023

Note: No country air arrivals to Cape Town was collected between April-September 2020, owing to the Covid-19 pandemic

Cape Town saw the largest number of Africa air arrivals from Zimbabwe (17 952) in 2022, representing a 138% y-o-y growth in relation to 2021, and a full recovery of 187% when compared to 2019.

TABLE: TOP AFRICA MARKETS TO CAPE TOWN (via air), 2018-2022								
Ranking	Markets	2018	2019	2020	2021	2022	y-o-y % change	% Recovery over 2019
1	Zimbabwe	8 086	9 623	2 101	7 541	17 952	138%	187%
2	Namibia	24 924	23 981	5 578	9 554	17 910	87%	75%
3	Angola	22 085	22 052	5 448	1 439	11 406	693%	52%
4	Kenya	4 518	5 376	1 380	1 317	4 879	270%	91%
5	Botswana	642	2 703	723	672	3 391	405%	125%
6	Tanzania	1 183	1 817	595	828	2 389	189%	131%
7	Nigeria	3 711	2 709	861	1 368	1 511	10%	56%
8	Uganda	942	1 797	498	462	1 508	226%	84%
9	Mauritius	3 573	5 578	1 413	44	1 228	2691%	22%
10	Ghana	1 036	1 104	369	803	1 079	34%	98%

Source: StatsSA, 2023

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