



EASTERN CAPE  
DEVELOPMENT  
CORPORATION



---

## **South Africa and Eastern Cape Trade Flows & Foreign Direct Investment with India-2023**

.....  
Compiled by the Office of the Chief Economist: ECDC

Report: Economic Research, Analysis and Forecasting

---

## 1. Introduction

This report deliberated the short Indian economic profile looking at key social and economic indicators between the periods 2019 to 2021. In details the report tabularised and graphically reveals the trade relationship between South Africa, Eastern Cape and India from the period 2018 to 2022 and Foreign Direct Investment trends from year January 2003 to April 2023. The trade analysis between South Africa and India uncovered that the country is the net importer of commodities from India in all the years in the period under review, except in 2018. Whereas trade between Eastern Cape and India showing that the province is the net importer of commodities from India in all the years in the period under review.

The mostly exported commodities by the province include: Wool, fine or coarse animal hair; horsehair yarn and woven fabric, Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof and Ceramic products. Whereas the most imported commodities include: Vehicles other than railway or tramway rolling stock, and parts and accessories thereof, Organic chemicals and Man-made staple fibres.

## 2. India Economic short profile

Table 1: India Fact Sheet

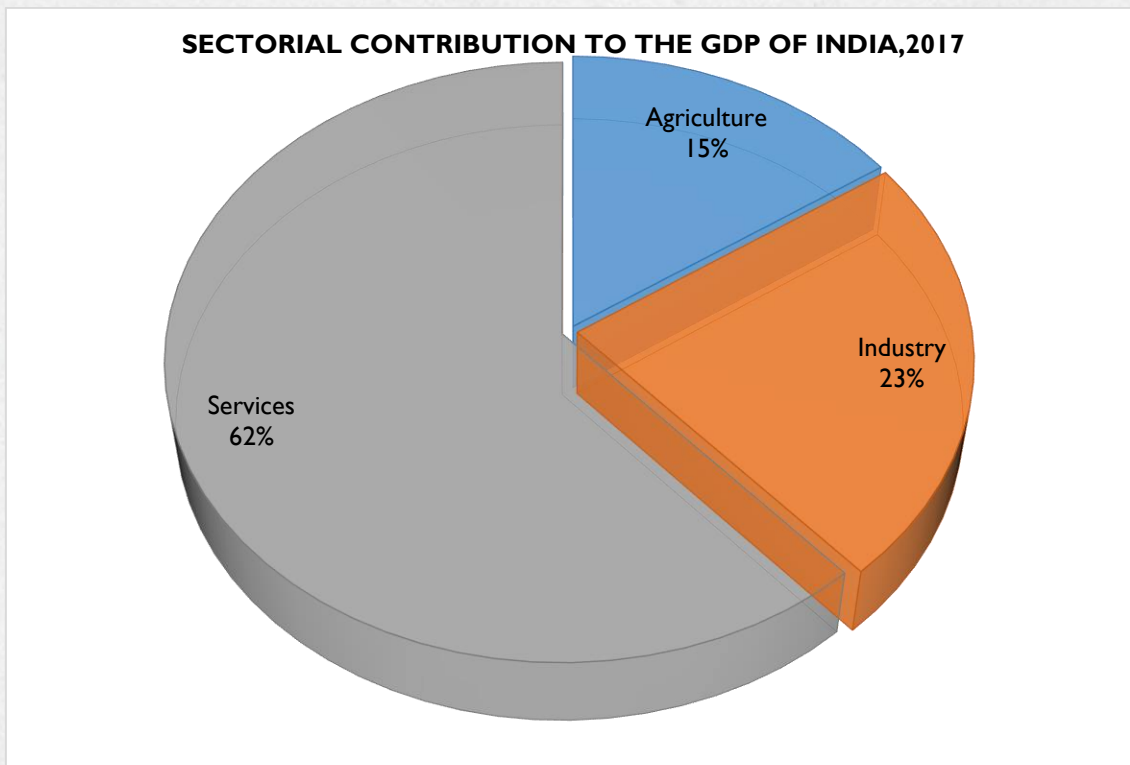
India Fact Sheet (2019* Estimated figures)	
<b>Basic Information</b>	
Area	Area 3,287,263 sq. km
Population (2021)	1.3 billion
Life expectancy (2021)	Total population 70.0 years (Male: 68.7 years and Female: 71.5 years)
<b>Economic development</b>	
GDP*	\$9.2 trillion
GDP per capita*	\$ 6,700
Inflation rate*	3.7%
Unemployment rate*	8.5%

Source: <https://www.indexmundi.com/india,2023>

Table 1 tabulate the India fact sheet articulated in year 2019 estimated figures denoted by a star in the table and stated if other years. The Indian population of 1.3 billion in

2021 the South African total population of 60.6 million is just a 0.5% fraction of India. The Gross Domestic Product (GDP) is US\$9.2 trillion with per capita GDP of US\$6,700, a low inflation rate of 3.7 percent and, lower than South Africa and Eastern Cape unemployment rate of 8.5 percent in 2019.

Figure I: Sectorial contribution to the GDP of India, 2017

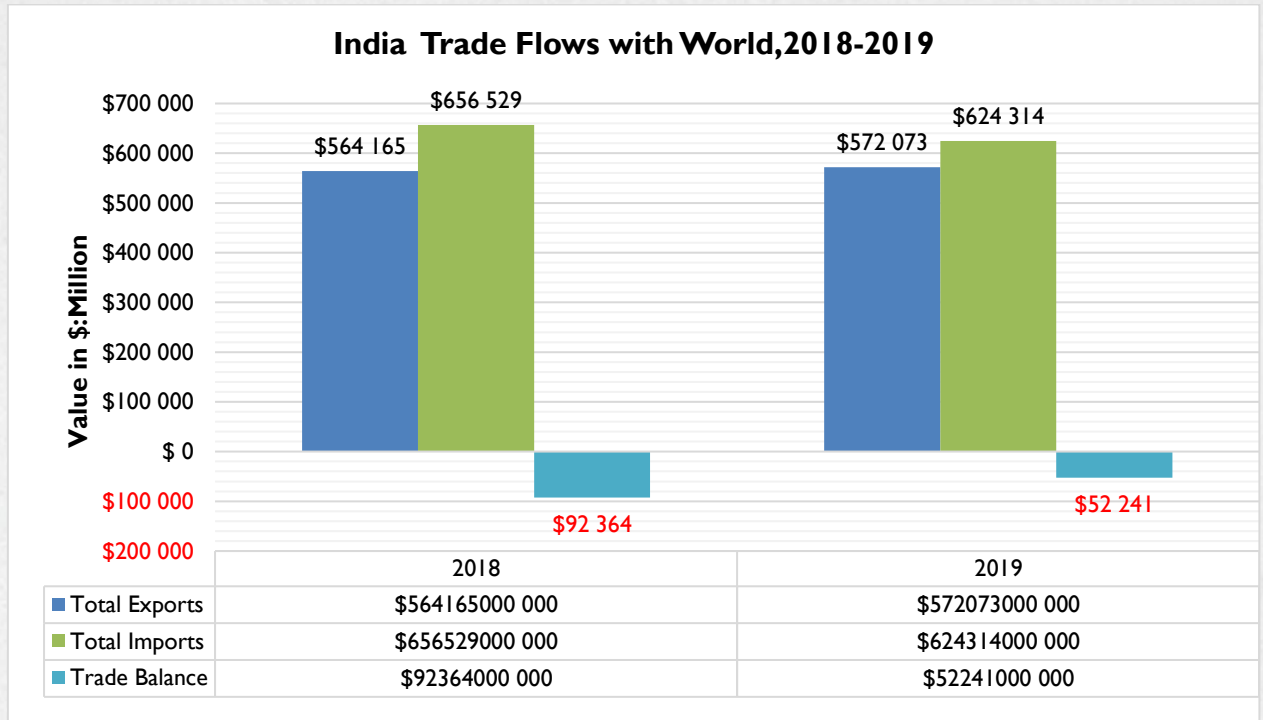


Source: <https://www.indexmundi.com/india,2023>

Figure I above reveals the major sectors that contribute to the Gross Domestic Product of India in year 2017. The services sector is the biggest contributing sector (government activities, communications, transportation, finance, and all other private economic activities that do not produce material goods) to the GDP of India with 62 percent, followed by industry sector (textiles, chemicals, food processing, steel, transportation equipment, cement, mining, petroleum, machinery, software and pharmaceuticals) with 23% and Agriculture (sugar cane, rice, wheat, buffalo milk, milk, potatoes, vegetables,

bananas, maize and mangoes/guavas) with high of 15 percent bigger contribution compared to South Africa and Eastern Cape.

Figure 2: India trade flows with the rest of the world, 2018-2019



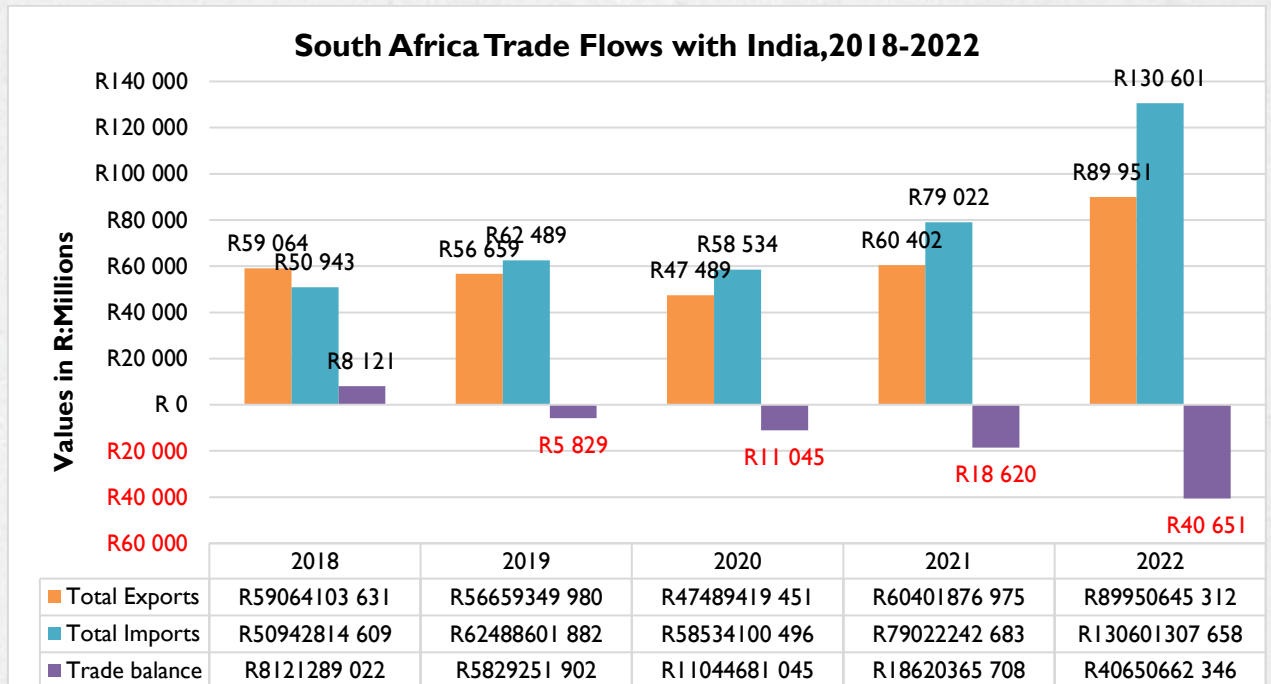
Source: <https://www.indexmundi.com/india,2023>

India total exports and imports of all products with the world from 2018 to 2019 are showed in figure 2 above. In 2019, India exported US\$572.1 billion (up from US\$564.2 billion recorded in 2018) and imported US\$624.3 billion (down from US\$656.5 billion recorded in 2018), resulting in a deficit in the trade balance of US\$52.2 billion. The commodities that contributed most to the India exports were refined petroleum, diamonds, packaged medicines, jewelry and cars. When it comes to imports, the most dominant commodities in India include crude petroleum, gold, coal, diamonds and natural gas. India recorded a trade deficit (where imports of all commodities exceed exports) in the balance of trade in all the years under review, US\$92.4 billion in 2018 and US\$52.2 billion in 2019. The top export destinations of India in 2019 were United States (17%), United Arab Emirates (9%) and China with 5% percent. The top import

origins were China (15%), United States (7%), United Arab Emirates (6%) and Saudi Arabia with 5 percent.

### 3. South Africa Trade flows with India

Table 2: South Africa trade flows with India, 2018-2022



Source: Quantec and own calculations, 2023

Figure 2 above showed the South Africa total imports and exports of all commodities with India from 2018 to 2022. South Africa is a net importer of commodities from India in all the years in the period under review, except in 2018. The trade deficit in the balance of trade of the province of R5.8 billion was recorded in 2019 trending up and recorded R40.7 billion in 2022. The country exports have been fluctuating from R59.1 billion in 2018 to R89.9 billion in 2022. Similarly, the country imports fluctuated from R50.9 billion in 2018 to R130.6 billion in 2022.

**Table 3: South Africa top 15 Exports to India, 2018-2022**

<b>South Africa top 15 Exports to India, 2018 - 2022</b>					
<b>Year</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
1. Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	R35 411 915 172	R34 670 257 933	R29 719 399 166	R32 808 305 913	R59 178 481 160
2. Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	R2 899 357 180	R2 627 664 630	R2 603 149 791	R6 223 035 608	R7 670 123 925
3. Ores, slag and ash	R7 913 233 758	R5 851 407 346	R5 038 731 110	R9 099 318 783	R7 524 724 777
4. Iron and steel	R2 429 283 668	R2 440 046 852	R1 603 678 940	R1 253 398 296	R3 232 674 942
5. Salt; sulphur; earths and stone; plastering materials, lime and cement	R473 981 828	R559 199 268	R934 376 804	R993 740 063	R1 754 381 511
6. Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	R984 603 556	R2 223 580 244	R1 815 941 053	R1 909 024 882	R1 735 848 625
7. Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	R1 556 297 158	R568 505 398	R716 314 661	R752 060 224	R1 649 112 452
8. Nickel and articles thereof	R531 605 777	R531 367 944	R406 792 951	R1 014 157 792	R1 250 904 739
9. Organic chemicals	R834 765 887	R938 607 828	R816 359 148	R1 227 554 449	R1 228 725 440
10. Edible fruit and nuts; peel of citrus fruit or melons	R353 861 942	R350 691 603	R407 427 955	R674 744 112	R1 002 817 892
11. Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	R1 737 133 426	R1 688 566 684	R1 040 510 135	R1 505 156 703	R768 161 731
12. Aluminium and articles thereof	R788 023 988	R763 101 861	R544 397 726	R574 222 599	R513 118 173
13. Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	R610 839 054	R496 001 311	R201 467 274	R276 661 073	R347 063 394
14. Residues and waste from the food industries; prepared animal fodder	R148 332 372	R110 638 709	R216 089 781	R301 639 972	R291 108 834
15. Miscellaneous chemical products	R139 028 319	R93 340 676	R75 451 261	R82 029 935	R161 796 027
<b>Total Exports: All commodities</b>	<b>R59 064 103 631</b>	<b>R56 659 349 980</b>	<b>R47 489 419 451</b>	<b>R60 401 876 975</b>	<b>R89 950 645 312</b>

Source: Quantec and own calculations, 2023

Table 3 above tabulate South Africa Cape top 15 export commodities to India from year 2018 to 2022. The top 3 most exported commodities by the province are as follows: Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes which shown a fluctuating trend over the period under study, from R35.4 billion in 2018 up to R59.1 billion in 2022. Followed by Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard which recorded an amount of R2.9 billion in 2018 fluctuated to R7.7 billion in 2022. The third most exported commodities are Ores, slag and ash which displayed a fluctuating trend between 2018 and 2022 recorded an amount of R7.9 billion in 2018 and down to R7.5

billion in 2022. South Africa was a net importer during this period under review, recorded total exports of R59.1 billion in 201, and trending up R89.9 billion in 2022.

**Table 4: South Africa Cape top 15 Imports from India, 2018- 2022**

<b>South Africa top 15 Imports from India,2018-2022</b>					
<b>Year</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
1.Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	R6 263 882 036	R12 342 490 663	R9 719 476 882	R19 331 479 368	R51 945 671 434
2.Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	R10 723 477 880	R13 341 322 329	R10 247 345 076	R17 447 551 708	R26 796 588 441
3.Pharmaceutical products	R7 539 719 153	R7 054 379 716	R9 811 306 369	R9 350 059 973	R9 448 941 834
4.Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	R3 497 429 375	R4 061 497 479	R3 364 772 382	R4 770 471 014	R7 441 733 573
5.Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	R3 542 039 973	R4 918 245 737	R4 388 168 425	R4 403 786 033	R6 626 063 044
6.Organic chemicals	R2 193 396 498	R1 929 369 681	R2 764 575 904	R2 256 023 746	R2 516 040 474
7.Plastics and articles thereof	R1 064 905 934	R1 239 247 656	R1 231 235 496	R1 578 449 160	R2 010 491 480
8.Original equipment components	R944 227 504	R1 365 511 638	R958 577 221	R1 507 961 764	R1 655 078 848
9.Cereals	R1 763 626 583	R1 533 115 775	R2 552 808 232	R1 741 469 965	R1 529 308 803
10.Miscellaneous chemical products	R752 761 185	R769 385 016	R915 662 151	R1 064 639 155	R1 391 757 369
11.Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	R386 597 612	R454 619 886	R532 509 386	R882 301 892	R1 193 995 760
12.Iron and steel	R470 614 073	R459 732 967	R533 823 816	R961 455 843	R1 123 646 378
13.Rubber and articles thereof	R559 665 580	R649 657 398	R582 764 496	R790 596 372	R1 067 185 940
14.Essential oils and resinoids; perfumery, cosmetic or toilet preparations	R667 072 357	R814 463 407	R897 716 568	R991 146 859	R1 045 215 508
15.Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	R672 108 068	R767 922 416	R705 048 561	R767 365 664	R884 713 772
<b>Total Imports: All commodities</b>	<b>R50 942 814 609</b>	<b>R62 488 601 882</b>	<b>R58 534 100 496</b>	<b>R79 022 242 683</b>	<b>R130 601 307 658</b>

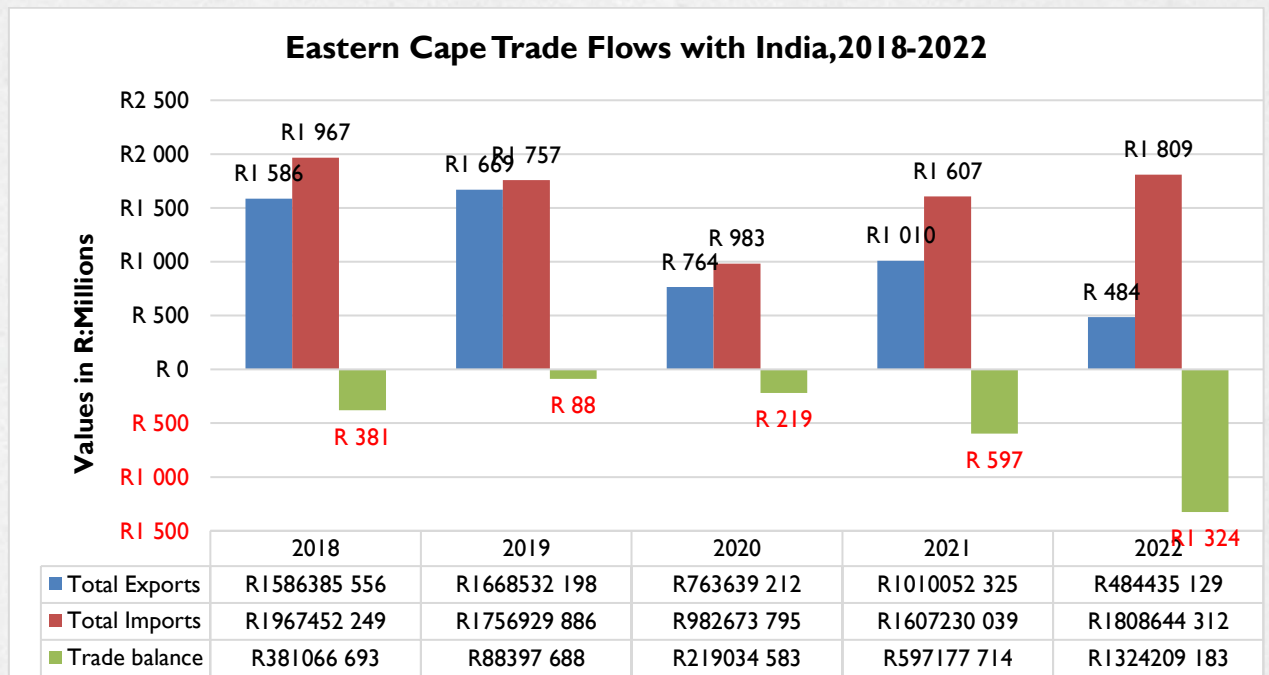
Source: Quantec and own calculations, 2023

South Africa top 15 import commodities from India between years 2018 to 2022 are depicted in table 4. The Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes are number one in the top 3 imported commodities recorded R6.3 billion in 2018 and R51.9 billion in 2022 showing a fluctuating trend over the period under review. Second most imported commodities in the top 3 are Vehicles other than railway or tramway rolling stock, and parts and accessories thereof fluctuating from R10.7 billion in 2018 to R26.8 billion in 2022. The third most imported commodities are pharmaceutical products recorded an amount of R7.5 billion in 2018 fluctuating to R9.4 billion in 2022. The total imports of all

commodities shown a fluctuating trend from R50.9 billion in 2018 to R130.6 billion in 2022 and overall, the country is increasing its imports from India.

#### 4. Eastern Cape Trade flows with India

Figure 3: Eastern Cape trade flows with India, 2018-2022



Source: Quantec and own calculations, 2023

The Eastern Cape total imports and exports of all commodities with India from 2018 to 2022 are shown in figure 3 above. The Eastern Cape is a net importer of goods from India in all the years in the period under review. The balance of trade (where import of all commodities exceed exports) recorded a trade deficit of R381.1 million in 2018, fluctuating to R1.3 billion in 2022. The total exports proven a fluctuating pattern from R1.7 billion in 2018 to R484.4 million in 2022. Similarly, the total imports presented a fluctuating trend from R2.0 billion in 2018 to R1.8 billion in 2022.



Table 5: Eastern Cape top 15 Exports to India, 2018-2022

Eastern Cape top 15 Exports to India,2018-2022					
Year	2018	2019	2020	2021	2022
1.Wool, fine or coarse animal hair; horsehair yarn and woven fabric	R121 082 187	R241 514 932	R60 962 591	R172 273 870	R149 152 423
2.Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	R1 169 406 258	R1 261 925 181	R571 488 923	R690 556 286	R128 793 420
3.Ceramic products	R20 056 726	R31 444 173	R87 577 492	R60 168 169	R64 585 607
4.Edible fruit and nuts; peel of citrus fruit or melons	R7 712 592	R10 113 853	R12 010 200	R23 880 227	R57 547 860
5.Iron and steel	R6 896 209	R6 049 559	R3 277 154	R8 259 042	R41 073 022
6.Aluminium and articles thereof	R12 211 480	R17 338 541	R9 625 317	R14 526 764	R17 287 159
7.Raw hides and skins (other than furskins) and leather	R7 373 706	R3 412 637	R1 433 958	R2 542 920	R7 532 394
8.Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	R59 207 612	R33 088 909	R10 878 743	R15 875 260	R4 839 374
9.Rubber and articles thereof	R3 409 248	R1 551 017	R772 016	R1 641 163	R3 241 071
10.Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	R705 786	R3 059 720	R23 559	R445 571	R2 177 524
11.Railway or tramway locomotives, rolling stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electromechanical) traffic signalling equipment of all kinds	R6 909 900	R8 467 948	R0	R0	R1 745 944
12.Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	R2 045 691	R58 293	R0	R6 677 655	R1 331 586
13.Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	R80 735 789	R2 008 938	R1 082 124	R2 189 858	R1 065 407
14.Toys, games and sports requisites; parts and accessories thereof	R60 886	R24 678	R19 346	R36 972	R905 707
15.Plastics and articles thereof	R2 904 552	R170 343	R11 979	R500	R596 719
<b>Total Exports: All commodities</b>	<b>R1 586 385 556</b>	<b>R1 668 532 198</b>	<b>R763 639 212</b>	<b>R1 010 052 325</b>	<b>R484 435 129</b>

Source: Quantec and own calculations, 2023

Tables 2 above revealed the Eastern Cape top 15 export commodities to India from year 2018 to 2022. The Wool, fine or coarse animal hair; horsehair yarn and woven fabric are number one in the top 15 most exported commodities by the country in 2022 amounting to R149.2 million from R121.1 million in 2018 with a fluctuating trend. Then followed by the nuclear reactors, boilers, machinery and mechanical appliances; parts thereof in the second place of the top 15 export commodities with an amount of R128.8 million in 2022 increased from R1.2 billion registered in 2018 with a fluctuating trend. The Ceramic products in the third place displayed a increasing pattern over this period posting R20.1 million in 2018 and R64.6 million in 2022. The province was a net importer except in 2018 and 2022 in the period under study of the commodities from India which

is not a favourable term of trade for the province, total exports registered R1.6 billion in 2018 and R484.4 million in 2022.

**Table 6: Eastern Cape South Africa top 15 Imports from India, 2018-2022**

<b>Eastern Cape top 15 Imports from India,2018-2022</b>					
<b>Year</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
1.Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	R654 807 812	R827 652 839	R520 289 580	R1 001 090 271	R614 736 818
2.Organic chemicals	R824 243 161	R329 598 308	R19 727 706	R36 733 845	R498 007 099
3.Man-made staple fibres	R43 492 912	R46 901 768	R38 643 837	R57 632 669	R78 621 031
4.Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	R21 054 261	R66 594 900	R48 420 863	R30 106 585	R63 278 157
5.Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	R34 849 835	R37 423 981	R37 887 495	R55 183 311	R58 182 600
6.Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	R4 501 618	R12 287 695	R25 841 931	R56 558 829	R56 483 528
7.Plastics and articles thereof	R37 254 495	R51 594 900	R23 216 056	R42 218 996	R51 116 662
8.Glass and glassware	R30 158 272	R27 227 278	R24 664 062	R22 671 170	R42 174 853
9.Rubber and articles thereof	R31 924 626	R36 404 303	R38 063 590	R48 061 356	R39 052 128
10.Pharmaceutical products	R55 223 491	R61 984 810	R1 538 069	R5 130 752	R32 510 913
11.Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	R18 324 681	R22 743 229	R16 810 791	R25 004 447	R25 164 480
12.Salt; sulphur; earths and stone; plastering materials, lime and cement	R13 490 803	R10 444 229	R10 834 036	R23 059 956	R24 960 406
13.Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use	R1 000 536	R4 015 384	R23 824 411	R22 773 780	R24 426 539
14.Articles of iron or steel	R11 398 465	R10 276 674	R15 368 439	R22 214 935	R19 824 647
15.Miscellaneous chemical products	R7 600 905	R17 998 359	R5 968 980	R8 803 134	R19 619 527
<b>Total Imports: All commodities</b>	<b>R1 967 452 249</b>	<b>R1 756 929 886</b>	<b>R982 673 795</b>	<b>R1 607 230 039</b>	<b>R1 808 644 312</b>

Source: Quantec and own calculations, 2023

The Eastern Cape top 15 import commodities from India between years 2018 to 2022 are represented in table 3 above. The Vehicles other than railway or tramway rolling stock, and parts and accessories thereof are number one in the top 15 imported commodities from India between years 2018 to 2022 recorded an amount of R654.8 million in 2018 and R614.7 million in 2022 with a fluctuating trend. Second most imported commodities in the top 15 are Organic chemicals from R8242 million to R498.0 million between 2018 and 2022 with a fluctuating pattern. The third most imported commodities are Man-made staple fibres amounting to R43.5 million in 2018 up to R78.6 million in 2022 with a fluctuating trend over the period under study. The

total imports of all commodities shown a fluctuating trend from R2.0 billion in 2018 to R1.8 billion in 2022.

## 5. South Africa Foreign Direct Investment from the India

The South African economy absorbed a total of US\$ 5.4 billion in foreign direct investment and created approximately 13 250 job opportunities between January 2003 and April 2023. Over this period under study, total of 107 Foreign Direct Investment projects were attracted with an average project size in terms of jobs of 123 and average project size in terms of capital investment of US\$ 50.70 million.

Table 7: South Africa Headline FDIs from India trends by year,2003-2023(April)

South Africa Headline FDIs from India trends by year,2003-2023(April)					
Year	Number of projects	Jobs created		Capital investment	
		Total	Average	Total (USD million)	Average (USD million)
2023	1	200	200	32.40	32.40
2022	3	52	17	55.10	18.40
2021	7	626	89	58.20	8.30
2020	1	67	67	11.10	11.10
2019	3	265	88	37.40	12.50
2018	4	284	71	14.80	3.70
2016	3	218	72	93.80	31.30
2015	11	1,575	143	212.50	19.30
2014	3	224	74	49.80	16.60
2013	10	258	25	741.80	74.20
2012	7	621	88	663.40	94.80
2011	14	2,078	148	291.30	20.80
2010	5	881	176	122.00	24.40
2009	9	1,390	154	395.50	43.90
2008	6	761	126	1,765.20	294.20
2007	2	70	35	24.80	12.40
2006	6	1,637	272	518.80	86.50
2005	2	883	441	126.50	63.30
2004	6	272	45	60.40	10.10
2003	4	888	222	145.40	36.40
<b>Total</b>	<b>107</b>	<b>13,250</b>	<b>123</b>	<b>5,420.10</b>	<b>50.70</b>

Source: FDI Markets database from The Financial Times Ltd, 2023

Table 7 above shows the number of Foreign Direct Investment into the country by years, project number, jobs created and capital investments between January 2003 and April 2023. The country attracted high capital investment of US\$ 1.8 billion and, 6 number of projects in 2008 and an estimated total of 761 job opportunities, investments by these projects are equating to 33 percent of total capital investment over the period under review. The average project size peaked in year 2008 for capital investments to US\$294.20 million and while highest average number of jobs created to 441 peaked in 2005. The second highest capital investment of US\$ 663.40 million and 621 number of jobs were attracted in 2012.

**Table 8: South Africa Top 10 Companies: Jobs Created and Capital Investment, 2003-2023(April)**

<b>South Africa Top 10 Companies: Jobs Created and Capital Investment,2003-2023(April)</b>				
<b>Company Name</b>	<b>Jobs created</b>		<b>Capital investment</b>	
	<b>Total</b>	<b>Average per project</b>	<b>Total (USD million)</b>	<b>Average (USD million)</b>
1.Mahindra & Mahindra South Africa	214	42	47.80	9.60
2.State Bank of India (SBI)	107	21	52.00	10.40
3.Apollo Tyres	862	215	164.60	41.10
4.Indian Hotels	718	239	369.30	123.10
5.Mahindra & Mahindra (M&M)	466	155	41.70	13.90
6.Wipro	353	117	17.00	5.70
7.Zoho (AdventNet)	27	9	15.60	5.20
8.Aegis Limited	539	269	23.90	11.90
9.Bank of India (BOI)	42	21	22.00	11.00
10.Cennergi	138	69	695.40	347.70

Source: FDI Markets database from The Financial Times Ltd, 2023

A total of 78 companies from India invested in South Africa between January 2003 and April 2023, out of a total 120,270 companies investing in FDI globally. The top 10 companies account for 26.2% of job creation and 26.7% of capital investment. The top company that registered greatest investment of US\$695.40 million and 138 number of jobs was Cennergi. Followed by Indian Hotels registering US\$369.30 million capital investment and created second highest of 718 job opportunities. BMW South Africa

was the company that invested a third largest capital investment of US\$164.60 million and created highest of approximately 862 job opportunities in the country (see table 8).

**Table 9: South Africa FDIs from India trends by source state, 2003-2023(April)**

South Africa FDIs from India trends by source state, 2003-2023(April)						
Source state	No of projects	No of companies	Jobs Created		Capital investment	
			Total	Average	Capital Investment (USD million)	Average (USD million)
1.Maharashtra	56	35	7,408	132	3,875.30	69.20
2.Karnataka	10	8	1,432	143	189.30	18.90
3.Haryana	9	5	1,276	141	260.00	28.90
4.Delhi	7	7	489	69	677.10	96.70
5.Tamil Nadu	7	5	1,106	158	151.30	21.60
6.Andhra Pradesh	5	5	394	78	106.70	21.30
7.Uttar Pradesh	5	5	592	118	66.10	13.20
8.West Bengal	5	5	328	65	49.20	9.80
9.Gujarat	1	1	9	9	5.20	5.20
10.Kerala	1	1	200	200	32.40	32.40
11.Other source states	1	1	200	200	32.40	32.40
<b>Total</b>	<b>107</b>	<b>78</b>	<b>13,250</b>	<b>123</b>	<b>5,420.10</b>	<b>50.70</b>

Source: FDI Markets database from The Financial Times Ltd, 2023

Table 9 tabulate South Africa Foreign Direct Investment trends from India by source city between January 2003 and April 2023. Out of a total of 15 source states, the top five account for the majority of projects. Mumbai is the top source city accounting the top source city accounting for almost half of projects tracked. Mumbai has the highest total capital investment amounting to US\$23.82 billion and 27112 jobs created. New Delhi and Ghaziabad have the largest project size on average in terms of investment and jobs creation, respectively. Delhi has attracted second highest investment of US\$677.10 million investment and 489 number of total jobs. Haryana is the third source city of South Africa FDI from India registering US\$260.00 million capital investment and third highest of 1276 job opportunities.

**Table 10: South Africa FDI from India trends by destination province, 2003-2023(April)**

South Africa FDI trends by destination Province,2003-2023(April)						
Destination state	No of projects	No of companies	Jobs Created		Capital investment	
			Total	Average	Total (USD million)	Average (USD million)
1.Gauteng	46	39	4,613	100	1,198.50	26.10
2.KwaZulu-Natal	17	13	3,112	183	2,182.40	128.40
3.Western Cape	10	10	855	85	167.80	16.80
4.Eastern Cape	4	3	309	77	713.80	178.40
5.Mpumalanga	1	1	21	21	50.00	50.00
6.Not Specified	29	27	4,340	149	1,107.70	38.20
<b>Total</b>	<b>107</b>	<b>78</b>	<b>13,250</b>	<b>123</b>	<b>5,420.10</b>	<b>50.70</b>

Source: FDI Markets database from The Financial Times Ltd, 2023

South Africa Foreign Direct Investment from India by destination province between January 2003 and April 2023. Gauteng is the top destination state, accounting for more than two-fifths of projects tracked. KwaZulu-Natal has the highest total investment of US\$2.2 billion and created second highest of approximately 3112 job opportunities. Gauteng is the second province attracted the highest investment of US\$ 1.2 billion and highest of 4613 jobs created (see table 10).

## 6. Eastern Cape Foreign Direct Investment from the India

A total of 4 companies from India invested in Eastern Cape between January 2003 and April 2023, out of a total 120,270 companies investing in FDI globally. The Eastern Cape Province attracted a total of US\$713.80 million in foreign direct investment from India and created approximately 309 job opportunities in the province between January 2003 and April 2023. During this period under review, a total of 4 Foreign Direct Investment projects landed in the province with an average project size in terms of jobs of 77 and average project size in terms of capital investment of US\$ 9178.40 million.

**Table 11: Eastern Cape Headline FDIs from India trends by year, 2003-2021**

Eastern Cape Headline FDIs from India trends by year,2003-2023(April)					
Year	Number of projects	Jobs created		Capital investment	
		Total	Average	Total (USD million)	Average (USD million)
2018	1	150	150	7.42	7.42
2013	2	138	69	695.38	347.69
2011	1	21	21	11.00	11.00
<b>Total</b>	<b>4</b>	<b>309</b>	<b>77</b>	<b>713.80</b>	<b>178.40</b>

Source: FDI Markets database from The Financial Times Ltd, 2023

The number of Foreign Direct Investment into the Eastern Cape province by years, project number, jobs created and capital investments between January 2003 and April 2023 are showed in table 11. The Eastern Cape attracted high capital investment of US\$ 695.38 million from 2 number of projects in 2013 and second highest number of approximately 138 total job opportunities created investment by these projects are equating to 97 percent of total capital investment over the period under study. The largest number of projects was announced in 2013, with two projects that year. Average project size peaked in 2013 for capital investment and 2018 for jobs created, recorded an amount of US\$ 347.69 million and created 150 job opportunities respectively.

**Table 12: EC only Top 3 Companies: Jobs Created and Capital Investment, 2003-2023(April)**

Eastern Cape only Top 3 Companies: Jobs Created and Capital Investment,2003-2023(April)				
Company Name	Jobs created		Capital investment	
	Total	Average per project	Total (USD million)	Average(USD million)
1.Cennergi	138	69	695.38	347.69
2.State Bank of India (SBI)	21	21	11.00	11.00
3.Agni Steels	150	150	7.42	7.42

Source: FDI Markets database from The Financial Times Ltd, 2023

The above table 12 tabulate the only top 3 companies invested in the Eastern Cape between January 2003 and April 2023 by jobs creation and capital investment. The only top 3 companies account for 100% of job creation and 100% of capital investment. The top company that generated biggest capital investment of US\$695.38 million and created 138 second largest number of jobs was Cennergi based in Bedford and Tsitsikamma. The second biggest capital investment in the province was made by State Bank of India (SBI) landed in Gqeberha(Port Elizabeth) amounting to US\$11.00 million and created

approximately 21 job opportunities to the provincial economy. Agni Steels located in Gqeberha was the company that invested a third largest capital investment of US\$7.42 million and created largest approximately 150 job opportunities in the province.

**Table 13: Eastern Cape FDIs from India trends by sector, 2003--2023(April)**

Eastern Cape FDIs from India trends by sector, 2003-2023(April)					
Sector	No of projects	Jobs Created		Capital investment	
		Total	Average	Total (USD million)	Average (USD million)
1.Renewable energy sector	2	138	69	695.38	347.69
2.Financial services sector	1	21	21	11.00	11.00
3.Metals Manufacturing	1	150	150	7.42	7.42
<b>Total</b>	<b>4</b>	<b>309</b>	<b>77</b>	<b>713.80</b>	<b>178.40</b>

Source: FDI Markets database from The Financial Times Ltd, 2023

Out of a total of 3 sectors, Renewable energy sector is the top sector accounting for almost half of projects tracked into the Eastern Cape between January 2003 and April 2023. The Renewable energy sector has generated the highest number of total jobs and greatest investment with a total of 138 jobs and US\$695.38 million investment. Renewable energy sector has the largest project size on average in terms of investment and Metals Manufacturing in terms of jobs creation. The second sector that accounted for the majority of capital investment of US\$11.00 million and created 21 job opportunities was financial services sector (see table 13 above).

**Table 14: Eastern Cape FDIs from India trends by source state, 2003-2023(April)**

Eastern Cape FDIs from India trends by source State,2003-2023(April)						
Source state	No of projects	No of companies	Jobs Created		Capital investment	
			Total	Average	Capital Investment (USD million)	Average (USD million)
1.Mumbai	3	2	159	53	706.38	235.46
2.Perundurai	1	1	150	150	7.42	7.42
<b>Total</b>	<b>31</b>	<b>3</b>	<b>309</b>	<b>77</b>	<b>713.80</b>	<b>178.40</b>

Source: FDI Markets database from The Financial Times Ltd, 2023

The Eastern Cape Foreign Direct Investment trends from India by source state between January 2003 and April 2023 is revealed above (table 14). Out of a total of two source





states, Mumbai is the top source state, accounting for almost two-third of projects tracked. Mumbai has generated the highest number of total jobs and greatest investment with a total of 159 jobs and US\$ 706.38 million investment. This source state also has the largest project size on average in terms of both investment and jobs creation. Perundurai has generated the second highest number of total jobs and second greatest investment with a total of 150 jobs and US\$7.42 million investment in the province.

**Table 15: Eastern Cape FDIs from India trends by destination city, 2003-2023(April)**

Eastern Cape FDIs from India trends by destination city,2003-2023(April)						
Destination city	Projects		Companies		Jobs Created	Capital Investment (USD million)
	No	%	No	%		
1.Tsitsikamma	1	25	1	56.25	69	347.69
2.Bedford	1	25	1	25	69	347.69
2.Gqeberha (Port Elizabeth)	2	50	2	50	171	18.42
<b>Total</b>	<b>4</b>	<b>100</b>	<b>4</b>	<b>118.75</b>	<b>309</b>	<b>713.80</b>

Source: FDI Markets database from The Financial Times Ltd, 2023

The Eastern Cape Foreign Direct Investment from India by destination city between January 2003 and August 2022 displayed that both Tsitsikamma and Bedford have received the equal second highest number of total jobs and greatest investment with a total of 69 jobs and US\$347.69 million capital investment. Tsitsikamma and Bedford both have the largest project size on average in terms of both investment and jobs creation. Whereas out of a total of three destination cities, Gqeberha (Port Elizabeth) is the second destination city in terms of capital and first in term of job creation with US\$ 18.42 million and 171 respectively (table 15).

# South Africa



- Positioned for prime access to the 14 countries comprising the Southern African Development Community (SADC)
- Vibrant country alive with possibility and opportunities
- Popular and heavily sought after tourist destination
- Southern-most tip of Africa

# Eastern Cape

**Capital:** Bhisho

**Major cities:** Port Elizabeth & East London

**Business languages:** English

**Population:** 6.56 million, 12.7% of SA population

**Area:** 168 966 km<sup>2</sup>, 13.9% of total SA area



- Easy access to Sub-Saharan African & global markets by sea, road, rail & air
- Home to two custom-built industrial development zones

## Investment opportunities in key growth sectors

- General manufacturing
- Automotive and components
- Agriculture and agro-processing
- Renewable energy
- Aquaculture
- Business processing outsourcing & offshoring (BPO & O)
- Tourism



**EASTERN CAPE  
DEVELOPMENT  
CORPORATION**

**DISCLAIMER:** Content is intended to be informative and is not to be taken as absolute, advisory or counsel. ECDC will not be held responsible or liable for any losses, injuries or damages that occur as a result of any reader acting on the comments and views expressed herein and further will not be held responsible or liable for any errors, omissions or inaccuracies, or any damage or harm that results from any errors, omissions or inaccuracies in published article due to the evolving nature of the topics reported on herein.

Office of Economists: 043 704 5726 | nmbenya@ecdc.co.za | www.ecdc.co.za



**EASTERN CAPE  
DEVELOPMENT  
CORPORATION**

