

Green Manufacturing

A Strategic Investment Opportunity
in Cape Town & the Western Cape

May 2025



Sector Overview

The Western Cape is emerging as Africa's leading hub for green industrialisation, with increasing activity in green component manufacturing. Backed by a strong industrial base, stable governance, and investment-ready zones such as the Atlantis Special Economic Zone (SEZ), the region is a prime destination for climate-friendly investment.

Key growth drivers include the growth in electric vehicle (EV) sales and advancements in battery technology, particularly lithium-ion batteries. The demand for solar and wind energy components, energy storage solutions, and green hydrogen is also accelerating, supported by international efforts to meet sustainability goals.

With a plan to add 3-5GW of renewable energy capacity each year to 2030, South Africa's demand for localised manufacturing is also set to rise sharply. Cape Town and the Western Cape is perfectly located to support these investments. The region offers low-risk, high-growth potential, supported by world-class infrastructure, incentives, and a strong culture of innovation.



Wind turbines, Cape Overberg

Key segments include:

- **Batteries and charging infrastructure** supporting energy storage for the grid, home, and businesses, as well as electric vehicles.
- **Wind towers and turbines, and solar panels**, driven by the growing number of wind and solar projects in South Africa.
- **Inverters & transformers** which form the backbone of the renewable energy technology driving the green economy's impressive growth.



Atlantis Special Economic Zone (SEZ), Cape Town



WHY CAPE TOWN & THE WESTERN CAPE

1. Strong Demand in South Africa

With a plan to add 3-5GW of renewable energy capacity each year to 2030, South Africa's demand for localised manufacturing is also set to rise sharply. This stimulates robust local demand for components.

2. Expanding EV & Battery Sector

Growing local demand for EV vehicles is set to increase production and drive economic activity. Audi, BMW and Mercedes-Benz are expanding charging networks, creating new supply chain opportunities.

3. Access to Key Markets

Three major ports and a world-class airport connect to global trade, with direct access to the African Continental Free Trade Area (AfCFTA), opening doors to high-growth African markets.

4. Africa's Leading Green Tech Hub

Cape Town is home to many of South Africa's utility-scale renewable energy developers, with multiple solar PV assembly projects and battery pack manufacturers in operation. The Western Cape hosts top firms expanding into EV charging, green hydrogen, and circular materials, building a resilient clean energy ecosystem.

5. Digital Readiness

A digital hub with major data centres and three submarine cable landing stations, offering high-speed connectivity vital for smart manufacturing, research, and advanced energy systems.

6. World-Class Research & Innovation

With Hydrogen Competency Centres at the University of Cape Town and the University of the Western Cape, plus Africa's first dedicated renewable energy training facility, the region is nurturing a skilled workforce.

7. Hubs for Sustainable Investments

The Atlantis Special Economic Zone, Africa's first green tech manufacturing hub, offers unparalleled access to green infrastructure, just 40 km from Cape Town.

8. Abundant Renewable Energy Resources

With some of the world's best solar and wind conditions, the Western Cape is a powerhouse for large-scale green energy production

9. Stable Governance & Supportive Policy

Energy liberalisation reforms initiated by the South African government, coupled with well-run local and provincial government, provides a supportive policy environment for investors.

10. Incentives

For additional information scan here:



Green Component Manufacturing Companies Shaping Cape Town & the Western Cape



Contact us for more information

For further information on setting up or expanding your business in Cape Town & the Western Cape please contact Wesgro's Investment Team

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