Foreign direct investment projects

The TIPS Foreign Direct Investment Tracker monitors FDI projects on a quarterly basis, using published information. It added 15 projects in the first quarter of 2025. The announced investment value for eight projects that reported values in the quarter came to R17.4 billion. The tracker recorded investments in manufacturing, services, mining, electricity and agriculture for the quarter. It updated 13 existing projects.

New project announcements

The manufacturing sector recorded the highest announced investment value, driven by Astron Energy's planned R6-billion upgrade of its Western Cape refinery. It will add equipment to produce cleaner fuels by 2027, which is a regulatory requirement. In the services, investments included an expansion by Microsoft and a new facility at Vantage Data Centres. Mining saw three projects, but only Orion Minerals' Flat Mines project reported an investment value. Electricity investments focused on private renewable energy, notably Photon Energy's 250MW solar-hydro project. In agriculture, Verdant Orchards planned to expand citrus production at its Noordgrens farm in Limpopo.

By country, the largest foreign investments were from the United States, at R6.7 billion, followed closely by Switzerland (R6 billion). The Western Cape attracted the highest investment value due to Astron Energy's refinery upgrade. Most projects, however, were located in Gauteng.

Table 2. FDI projects captured in the first quarter of 2025

INVESTOR COMPANY	COUNTRY	VALUE (R BNS)	LOCATION	PROJECT SUMMARY
Manufacturing: R9.4 billion				
Astron/ Glencore	Switzerland	6	Western Cape	Installing new equipment to produce cleaner fuels
Soufflet Malt	France	2	Gauteng	Malt production plant
Huaxin/ Natal Portland Cement	China	1.2	KwaZulu-Natal	Kiln line expansion project
FAW Trucks South Africa/ Coega Development Corp	China	0.2	Eastern Cape	Extending assembly plant
Varun Beverages	India	n.a.	Multiple locations	Post acquisition capital expenditure commitment
Bayer South Africa	Germany	n.a.	Gauteng	New offices
Services: R6.03 billion				
Microsoft	US	5.4	Multiple locations	Expanding hyperscale cloud and AI infrastructure
Vantage Data Centres/ Attacq	US	0.6	Gauteng	Developing "dark shell" data centre
Mining: R1.3 billion				
Orion Minerals	Australia	1.3	Northern Cape	Flat mines prospective copper mining operation
Ironveld/Sable Exploration and Mining	United Kingdom	n.a.	Limpopo	Magnetite dense media separation plant
Pelagic Resources	Singapore	n.a.	North West	Platinum group metals concentrator
Electricity: Not reported				
Photon Renewable Energy	Netherlands	n.a.	KwaZulu-Natal	Project Summary

INVESTOR COMPANY	COUNTRY	VALUE (R BNS)	LOCATION	PROJECT SUMMARY
Mulilo/H1	Denmark	n.a.	Northern Cape	250 MW concentrated solar PV plant with thermal hydro storage
Henkel South Africa	Germany	n.a.	Gauteng	75MW solar photovoltaic facility
Agriculture: Not reported				
Verdant Orchards	US	0.7(a)	Limpopo	Citrus production expansion

Note: Numbers may not always sum to total investment amounts due to rounding. (a) Reported including of investment in Mozambique and Zambia Source: TIPS FDI Tracker database.

Expansion projects make up the highest announced value and number of projects.

Table 3. Value of projects by investment stage and type, first quarter of 2025, in billions of rand.

	Stage	Announced value	Feasi-bility	Prepa-ration	Implemen-tation	Com-pleted	Total value	Number
Investment type	Expansion	6.9	-	-	1.2	-	**8.1**	**6**
	Upgrade	-	-	6	-	-	**6**	**1**
	Greenfield	2	-	0	-	0	**2**	**5**
	Brownfield	-	1.3	-	0	-	**1.3**	**3**
Total value		**8.9**	**1.3**	**6**	**1.2**	**0**		
Number		**6**	**1**	**3**	**3**	**2**		

Note: Numbers may not always sum to total investment amounts due to rounding. (a) Reported including of investment in Mozambique and Zambia Source: TIPS FDI Tracker database.

Updates

This quarter saw progress across manufacturing, mining, electricity and services. In manufacturing, Orion Engineered Carbons (OEC) completed the relocation of an oil tank farm to the Coega Special Economic Zone, a project supported by a R273 million investment from the Department of Trade, Industry and Competition (the dtic) alongside OEC's own funding. Astron Energy and Glencore successfully renegotiated capital investment terms with the Competition Tribunal, securing extended timeframes to meet commitments and address challenges. However, Sasol and ArcelorMittal's proposed green hydrogen plan seems to have been placed on hold.

In electricity, Yellow Door Energy finalised development of the Overyssel Border Solar Project and signed a power purchase agreement with PPC for the Naledi-ya-YDE project, currently in the preparation phase. Mining projects at Orion Minerals' Prieska Copper Project and Rainbow Rare Earths' Phalaborwa Project also advanced. In services, Google officially launched its first South African cloud region, which has been operational for customers since early 2024.

Table 4. Projects updated in the first quarter of 2025

PROJECT	COMPANY	VALUE (R BNS)	INDUSTRY	PROGRESS UPDATE
Complete/ Operational				
Fuchs Lubricants operation expansion: Phase 2	Fuchs Lubricants	0.5	Manufacturing	Completed new plant and other facilities for production capacity expansion
Carbon black feedstock storage facilities	Orion Engineered Carbons	0.3	Manufacturing	Oil tank farm relocated and operational

PROJECT	COMPANY	VALUE (R BNS)	INDUSTRY	PROGRESS UPDATE
Overyssel Bordery solar PV and BESS	Yellow Door	Not reported	Utilities	Microgrid system launched
Construction/Implementation				
Astron Energy/ Glencore investment	Astron Energy/ Glencore	6	Manufacturing	Competition Tribunal amended conditions to address challenges
Makhado hard coking coal project	MC Mining/ Kinetic	2.5	Mining	Competition Commission conditional approval of Kinetic acquiring MC Mining including R827 million capital investment
Google South Africa cloud region	Google	2.5	Services	Launched first Africa cloud region
TFC Solar PV power plant and battery storage project	Samancor/ CGN Africa Energy/	Not reported	Utilities	Commenced Phase 1 development
Ukuqala solar plant	Mulilo	Not reported	Utilities	Reached financial close at the end of 2024
Project preparation				
Leeudoringstad (Naledi ya YDE) solar photovoltaic (PV) project	Yellow Door	Not reported	Utilities	Signed power purchase agreement to supply PPC
Feasibility				
Orion Minerals Prieska Project	Orion Minerals	7.6	Mining	Definitive feasibility study complete
Pre-feasibility				
Bengwenyama PGM project	Southern Palladium	6.8	Mining	Pre-feasibility study presents projects as a commercially viable investment opportunity, working on feasibility study
Phalaborwa rare earths project	Rainbow Rare Earths	6.5	Mining	Several studies com-pleted, final feasibility study underway
Uncertain, suspended or cancelled				
Sasol/ArcelorMittal Decarbonisation initiatives: Saldanha green hydrogen	Sasol/ AMSA	Not reported	Manufacturing	Project on hold for now