

## TRADE & INVESTMENT BRIEFING DECK

### Gauteng Growth & Development Agency

Lombardy Collaboration, Trade and Investment Opportunities in Gauteng



## WHAT TO EXPECT

This presentation provides a strategic, investor-focused overview of Gauteng's role as Africa's leading economic and industrial hub and its positioning as Italy's natural partner for Africa-facing expansion Gauteng Growth and Development .... Specifically, you can expect:

- **South Africa's Macro & Investment Outlook:** Key macro trends and policy reforms shaping a stable, scalable environment for long-term investment.
- **Gauteng's Value Proposition:** A snapshot of Gauteng's diversified economy, world-class infrastructure, innovation ecosystem, and role as Africa's gateway market.
- **Italy–South Africa Trade & Investment:** A concise assessment of bilateral trade dynamics, structural gaps, and untapped strategic potential.
- **Gauteng–Lombardy Partnership Logic:** How two industrial and logistics powerhouses can form a Europe–Africa co-industrialisation platform.
- **Priority Sectors & Project Pipeline:** Focus on mineral beneficiation, advanced manufacturing, agro-processing, renewables, ICT, and SEZ-based opportunities.
- **Invitation to GIC 2026:** An invitation to convert strategic engagement into bankable deals at the Gauteng Investment Conference 2026.

## The Economy of South Africa

### The South African Economy

- South Africa's GDP at current prices was about 415 billion US dollars in 2024, representing roughly 0.4 per cent of the world economy.
- It is the largest economy in the African continent
- Real GDP growth has been estimated at about 0.7 percent in both 2023 and 2024, with forecasts around 1.5 percent for 2025.
- South Africa is a diversified upper middle-income economy
- It is heavily integrated into global trade, with merchandise trade exceeding half of GDP and a modest goods trade surplus in 2024

### SA's top 5 import partners are:

- 1.China
- 2.India
- 3.Germany
- 4.United States
- 5.Saudi Arabia
10. Italy

### SA's top 5 imports are:

- 1.Mineral fuels, oils and related products – around 20–25 billion US dollars in 2024.
- 2.Machinery and mechanical appliances – roughly 15–20 billion US dollars.
- 3.Electrical machinery and equipment – around 10–15 billion US dollars.
- 4.Vehicles and automotive components – about 10 billion US dollars.
- 5.Plastics and plastic articles, plus significant imports of pharmaceuticals and optical and medical equipment – each in the low single-digit billions of US dollars.

### The top 10 largest companies in South Africa are:

1. Naspers – multinational internet and technology holding company.
2. FirstRand – major banking and financial services group.
3. Standard Bank Group – large Africa-focused banking group.
4. Gold Fields – global gold mining company.
5. Capitec Bank – rapidly growing retail bank.
6. Vodacom Group – telecommunications services provider.
7. MTN Group – pan-African telecommunications group.
8. Bid Corporation (Bidcorp) – international foodservice group.
9. Shoprite Holdings – leading supermarket retail group.
10. Sanlam – diversified financial services and insurance group.

### Italy's top 5 export partners are:

- 1.China
- 2.United States
- 3.Germany
- 4.Mozambique
- 5.United Kingdom
22. Italy

### SA's top 5 exports are:

- 1.Mineral products (including coal and other ores) – well over 30 billion US dollars.
- 2.Gems and precious metals (notably gold and platinum-group metals) – over 25 billion US dollars.
- 3.Vehicles (cars and other road vehicles) – around 15 billion US dollars.
- 4.Machinery and mechanical appliances – in the low-teens billions of US dollars.
- 5.Iron and steel and related products, as well as agricultural exports such as fruit and wine, each contributing several billion US dollars.

### Understanding Our Country

- **Current ranking:** South Africa is Africa's largest and most industrialised economy, with GDP of approximately US\$415 billion (2024), yet remains outside the core trade group of major advanced economies, reflecting scale and structure rather than economic relevance.
- **Context:** South Africa has a highly diversified economic base, spanning advanced manufacturing, mining and minerals, agriculture, and a dominant services sector (around 63% of GDP). It is deeply integrated into global trade, supported by strong financial markets, modern infrastructure, and access to a 1.4-billion-person African market through AfCFTA.
- **Interpretation:** South Africa's trade profile remains commodity- and intermediate-goods weighted, while imports are capital- and technology-intensive. This constrains bilateral trade depth with advanced manufacturing economies.
- **Insight:** The country is materially underleveraged as an industrial and investment partner, despite strong demand for machinery, technology, and downstream value-addition.
- **Gauteng's role:** The Gauteng City Region accounts for 35% of national output, finance, and logistics, serving as the primary gateway for trade, investment, and localisation.
- **Strategic implication:** Improving South Africa's position requires investment-led trade, localisation, and value-chain integration, positioning Gauteng as a platform for Africa-facing industrial expansion.

## South Africa's Growth Prospects Are Positive

Category	Key Positives	Impact
<b>Structural Reforms</b>	<ul style="list-style-type: none"> <li>Energy reform &amp; private generation</li> <li>Rail &amp; port reforms</li> <li>New PPP rules &amp; infrastructure reforms</li> </ul>	<ul style="list-style-type: none"> <li>More power stability; reduced load-shedding</li> <li>Improved freight &amp; port efficiency</li> <li>Faster project approvals, stronger pipeline</li> </ul>
<b>Sovereign Ratings &amp; Confidence</b>	<ul style="list-style-type: none"> <li>S&amp;P outlook upgraded to Positive (2025)</li> <li>Fiscal consolidation progress</li> </ul>	<ul style="list-style-type: none"> <li>Lower risk perception</li> <li>Improved investor sentiment</li> </ul>
<b>SOE Improvements</b>	<ul style="list-style-type: none"> <li>Eskom recovery signs</li> <li>Transnet stabilization</li> <li>Governance upgrades</li> </ul>	<ul style="list-style-type: none"> <li>Better logistics &amp; energy reliability</li> <li>Restored operational confidence</li> </ul>
<b>Macroeconomic Strengths</b>	<ul style="list-style-type: none"> <li>Africa's largest, diversified economy</li> <li>Strong financial sector</li> <li>Inflation moderating</li> </ul>	<ul style="list-style-type: none"> <li>Stable environment for investors</li> <li>Resilient banking &amp; capital markets</li> </ul>
<b>Industrial &amp; Investment Momentum</b>	<ul style="list-style-type: none"> <li>EV &amp; battery incentives</li> <li>Green energy growth</li> <li>Rising FDI &amp; BPO expansion</li> </ul>	<ul style="list-style-type: none"> <li>New manufacturing opportunities</li> <li>Global leadership in green energy hubs</li> </ul>
<b>Governance &amp; Institutions</b>	<ul style="list-style-type: none"> <li>Independent SARB</li> <li>Strengthened anti-corruption efforts</li> <li>Procurement reform</li> </ul>	<ul style="list-style-type: none"> <li>Strong Rule of law</li> <li>Improved governance and credibility</li> </ul>

## Macro Economic Projections

Year	Real GDP Growth (Forecast)	Inflation / CPI Forecast	Policy Interest Rate
<b>2025</b>	<b>1.2%</b>	<b>3.2%–3.6%</b>	<b>6.75%</b>
<b>2026</b>	<b>1.5%</b>	<b>3.5%–4.5%</b>	<b>Gradual easing expected</b>
<b>2027</b>	<b>1.8%</b>	<b>3.0%–4.4%</b>	<b>Expected stable rates</b>

## What are the implications for investors?

1. Lower borrowing costs + stable inflation → **more attractive financing environment** for new investments (infrastructure, green energy, manufacturing, etc.).
2. Gradual GDP growth improvement can drive **long-term strategic investments**, in sectors aligned with structural reforms (energy, logistics, renewables, industrial production).
3. Better macro stability and policy clarity increase **confidence in South Africa as a base for regional expansion**, key for foreign investors assessing risk/return across Africa.
4. Structural reforms and infrastructure push could gradually **unlock productivity gains, improve service delivery, and address bottlenecks** supporting sectors such as manufacturing, mining, logistics, renewable energy, and industrial exports.
5. The policy & macro environment improvements create a window for **strategic bets**: early movers may benefit disproportionately if reforms deliver and growth accelerates above baseline.



## 10 REASONS TO INVEST IN SOUTH AFRICA

1

**HOT EMERGING MARKET** - Growing Middle Class, Affluent Consumer Base, Excellent returns on investment e.g JSE 12.2% CAGR (2000 - 2017)

2

**NO.1 DIVERSIFIED ECONOMY IN AFRICA** - SA is the best manufacturing and leading services destination. SA is the regional manufacturing hub and the most industrialised country in Africa.

3

**LARGEST PRESENCE OF MULTI-NATIONALS ON AFRICAN CONTINENT** - SA is the Multinationals location of choice. Global corporates enjoy benefits of doing business in SA which has a growing and supportive ecosystem as a hub for innovation, tech and fintech.

4

**PROGRESSIVE CONSTITUTION AND INDEPENDENT JUDICIARY** - SA has a progressive Constitution and an Independent Judiciary. SA has a mature accessible legal system providing certainty and respect for the rule of law. Ranked no. 1 in Africa for the protection of investment and minority investors. Ranked 8th/36 upper-middle income countries

5

**FAVOURABLE ACCESS TO GLOBAL MARKETS** - The African Continental Free Trade Area (AfCFTA) will boost intra-Africa trade and create a bigger market of over 1 billion people with a GDP of \$2.6 trillion that will unlock industrial development. SA has several other trade agreements to enhance access to Global Markets

6

**ABUNDANT NATURAL RESOURCES** - SA is Abundantly endowed in precious metals. World's leading producer of PGM's. 6th largest producer of gold. World Renowned underground mining expertise. Over 110 listed mining companies with operations in SA.

7

**ADVANCED FINANCIAL SERVICES AND BANKING SECTOR** - Sophisticated banking sector with a major footprint in Africa. SA is a financial hub in Africa, with the JSE being the largest stock exchange by market capitalisation.

8

**WORLD CLASS INFRASTRUCTURE AND LOGISTIC** - Government Investment of over R1Trillion and continued investment in infrastructure. SA has the largest Air and Port networks that links into the African Continent. SA ranked no. 1 in Africa on the World Bank's Logistics Performance Index.

9

**YOUNG TRAINABLE LABOUR FORCE** - SA has a number of world class universities and colleges, producing a skilled, talented, capable work force. Diversified skill set, emerging talent, large pool of trainable labour and government support for training and skills development

10

**EXCELLENT QUALITY OF LIFE** - Favourable cost of living, diversified culture, cuisine and sports destination all year round. Renowned hospitality sector. South Africa has a Human Development Index (HDI) value of 0.67 putting the country in the medium human development category

## Understanding Our Value Proposition

## WHO IS THE GAUTENG CITY REGION

The **Gauteng City-Region** is home to a quarter of South Africa's population and generates **39% of the country's GDP**. The concentration of the national population and growth makes the **Gauteng City Region pivotal to the national agenda** of Transformation, Modernization & Re-Industrialization. The Gauteng City-Region is comprised of three dynamic cities - **the engines of economic activity** **Gateway to Africa** and the world with a high number of Global companies

- Diversity of economic sectors
- Leading universities and research institutions,
- Infrastructure
- Diplomatic missions,
- Democratic governance

*Global cost advantage when compared to peers*

*Growing infrastructure base*

*Institutional base for Governance*

*International Relations*

*Established sectors offering economies of scale & related services*

*Talented Workforce*

*A Gateway to Africa*

- Cost of land
- Cost of labour

- Existing base to support a diversified economy
- Spatial transformation investments to grow the infrastructure base
- Largest collection of international company head quarters in Africa

- Established judicial and regulatory institutions
- The largest stock exchange in Africa
- African headquarters for large multinational companies
- Global recognition for sound corporate governance

- The GCR is home to 134 diplomatic missions covering Africa and the rest of the world

- Auto sector
- Finance,
- BPO,
- Manufacturing,
- Mineral beneficiation
- Agro processing
- Tourism

- WEF Competitiveness Index: Ranked 2nd in Africa
- High-quality scientific research institutions
- Strong investment in research and development,
- 3 of the top 5 universities in South Africa are in Gauteng
- Collaboration between business and universities in research

- For 10 new jobs created in South Africa 5 were from the Gauteng City

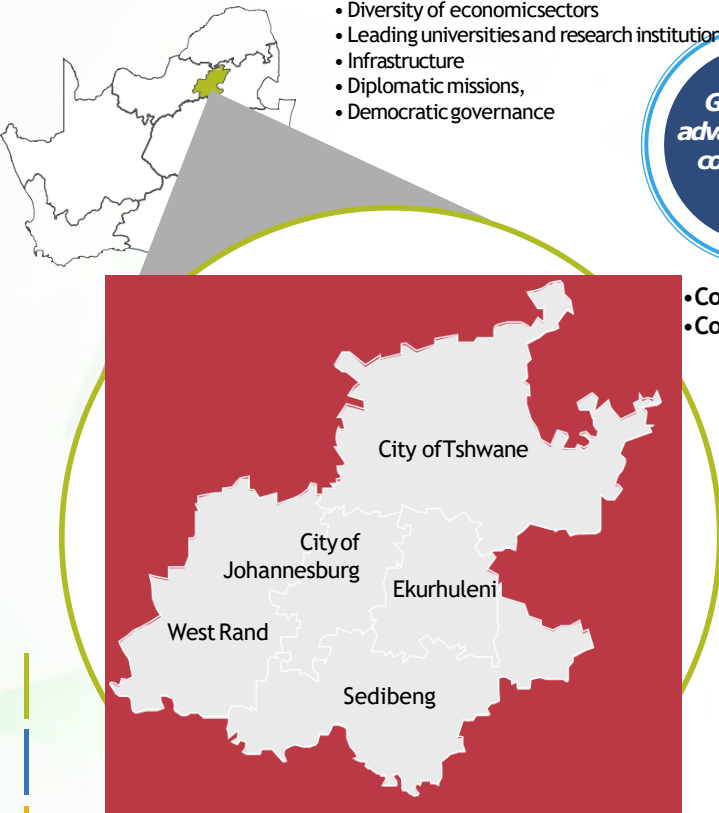
- Close proximity to Southern African countries with established transportation infrastructure

PEOPLE



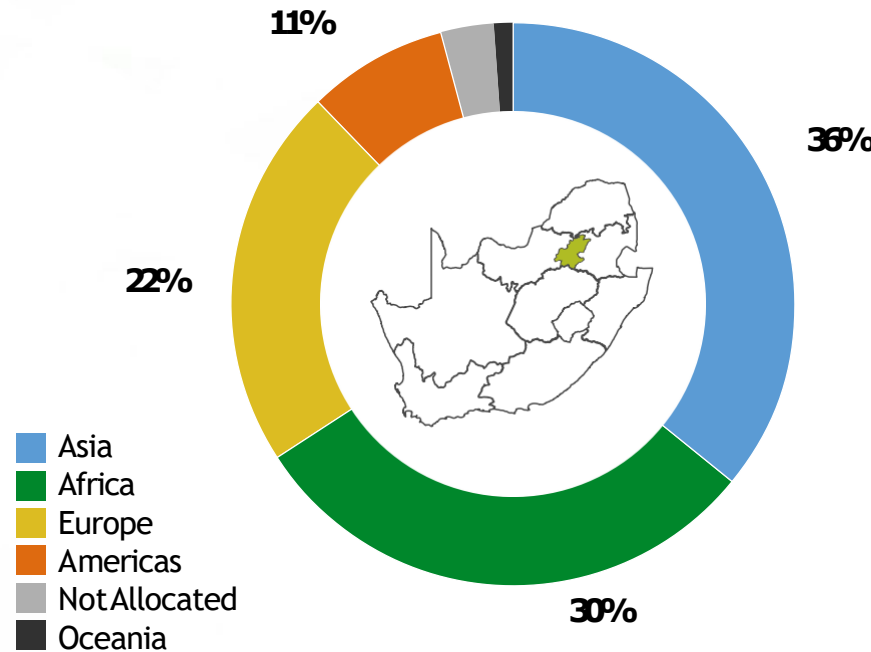
**10.1 million**  
Largest Labour Force in South Africa\*

Source: Statistics SA  
GAUTENG  
GAUTENG GROWTH AND DEVELOPMENT AGENCY

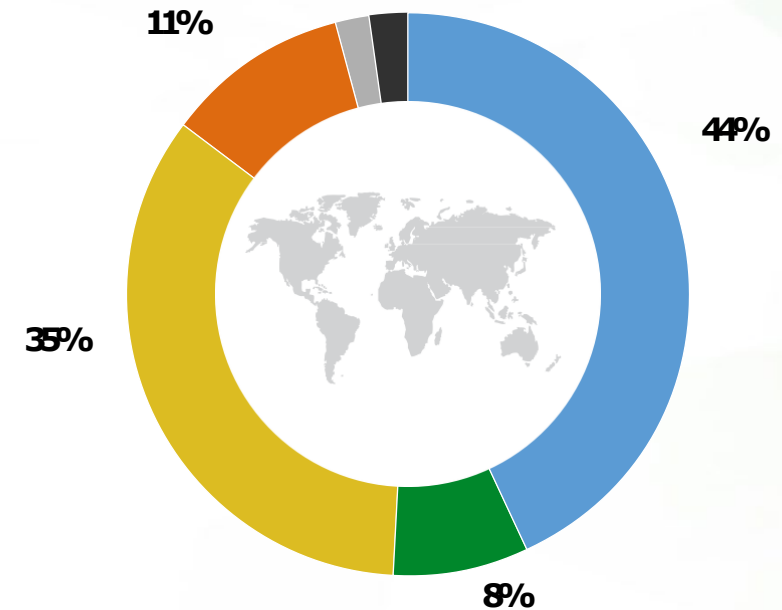


## WHO IS THE GAUTENG CITY REGION

Exports of Goods and Services from Gauteng



Imports of Goods and Services from Gauteng



- Gauteng exports account for 55 per cent of total exports out of South Africa, for every R100 of exports out of Gauteng, R80 comes from the Manufacturing sector.
- Gauteng accounts for 65 per cent of total goods imported into South Africa. For every R100 of goods imported into Gauteng R63 are goods going to the manufacturing sector.
- Since 2014, South African trade with the rest of the world has cumulatively amounted to R12.3 trillion. Aggregately, Gauteng accounted for R7.3 trillion or 59 per cent of total SA trade.
- Exports of goods and services from Gauteng, accounted for 52 percent of total exports into South Africa. (R3.18 trillion)
- Over the same period Imports to Gauteng amounted to 67 per cent of total goods and services imported into South Africa. (R4.14 trillion)

## WHO IS THE GAUTENG CITY REGION

Since 2014 SA is cumulatively the top destination for FDI projects in Africa



Source: FDI Markets, GGDA BI

### Notable Countries



China



United States



United Kingdom



Germany



France

### Notable companies



pwc



amazon



General Electric



HARVARD BUSINESS SCHOOL



Microsoft





# OUR TRADE AND INVESTMENT RELATIONSHIP ITALY



One Team, One Shared Vision





## The Economy of Italy

### The Italian Economy

- Italy's GDP at current prices was 2.37 trillion US dollars in 2024, representing about 2.2 percent of the world economy.
- It is the 8<sup>th</sup> largest economy in the world
- Real GDP growth has been estimated at about 0.7 percent in both 2023 and 2024, with forecasts around 0.9–1.1 percent for 2024–2025, supported mainly by domestic demand and EU recovery funds.
- Structural challenges include high public debt (around 139 percent of GDP projected for 2024), modest potential growth, and demographic ageing, alongside strengths in manufacturing, tourism, and a diversified SME base

### Italy's top 5 import partners are:

1. Germany,
  2. China,
  3. France,
  4. the Netherlands, and
  5. Spain
- 47. South Africa**

### Italy's top 5 imports are:

1. Mineral fuels, oils and related products – about 145 billion US dollars.
2. Machinery and mechanical appliances – roughly 55 billion US dollars.
3. Electrical machinery and equipment – about 54 billion US dollars.
4. Vehicles other than railway or tramway – around 46 billion US dollars.
5. Pharmaceuticals – about 33 billion US dollars.

### Italy's top 5 export partners are:

1. Germany,
  2. United States,
  3. France,
  4. Spain, and
  5. Switzerland
- 53. South Africa**

### Italy's top 5 exports are:

1. Machinery, including computers – about 116 billion US dollars (around 17 per cent of exports).
2. Pharmaceuticals – about 55.5 billion US dollars.
3. Vehicles (cars and other road vehicles) – around 47 billion US dollars.
4. Electrical machinery and equipment – about 45.8 billion US dollars.
5. Gems and precious metals (including jewellery) – about 25.7 billion US dollars.

### The top 10 largest companies in Italy are:

1. Ferrari – luxury sports cars and brand licensing.
2. Enel – multinational electricity and energy utility.
3. Intesa Sanpaolo – leading banking and financial group.
4. UniCredit – large pan-European banking group.
5. Eni – integrated oil and gas major.
6. Assicurazioni Generali – global insurance group.
7. Poste Italiane – postal, logistics and financial services.
8. Leonardo – aerospace, defence and security group.
9. Prada – global luxury fashion house.
10. Moncler – premium outerwear and fashion company

### How does our trade rank in Italy?

- **Current ranking:** South Africa ranks 53rd among Italy's export destinations and 47th among Italy's import sources, placing it outside Italy's core group of trading partners.
- **Context:** Italy's top trade relationships are concentrated in Europe, the United States, and China, reflecting scale, proximity, and deeply integrated value chains.
- **Interpretation:** South Africa's ranking reflects limited scale and concentration, rather than a lack of strategic relevance. Trade remains narrow and commodity-influenced
- **Insight:** The relationship is materially underleveraged, particularly given Italy's advanced manufacturing strengths and South Africa's industrial base.
- **Gauteng's role:** The Gauteng City Region anchors most bilateral trade, positioning it as the primary platform for deeper engagement.
- **Strategic implication:** Improving rank will require diversification, value addition, and investment-led trade, not incremental growth in traditional exports. South Africa's rank as an import partner to India has increased significantly over time. This signals scope to reposition South Africa—and Gauteng specifically—from a marginal trade partner to a co-industrial and investment-linked partner, particularly through localisation, SEZ-based manufacturing, and Africa-facing value chains.

## Gauteng vs Lombardy — Economic Comparison

**“Lombardy and Gauteng play similar roles in their economies: both are industrial powerhouses, financial hubs, and gateways to wider markets — Lombardy to Europe, Gauteng to Africa.”**

DIMENSION	GAUTENG (SOUTH AFRICA)	LOMBARDY (ITALY)
Economic role	Economic heartland of South Africa and a key gateway to Sub-Saharan Africa	Industrial and financial engine of Italy
Share of national GDP	35% of South Africa’s GDP	22% of Italy’s GDP
GDP (approx.)	US\$120–140 billion	US\$430–450 billion
Population	16 million	10 million
GDP per capita	US\$7,500–9,000	US\$40,000–45,000
Economic structure	Diversified, services-led with strong industrial base	Highly diversified, advanced manufacturing and services
Key sectors	Financial services, automotive manufacturing, mining & mining services, logistics, ICT, energy	Advanced manufacturing, machinery, automotive, chemicals & pharma, finance, fashion & design
Manufacturing profile	Automotive OEMs & Tier-1 suppliers, capital equipment, mining machinery	Precision engineering, industrial machinery, automotive components, high-value manufacturing
SME ecosystem	Large base of SMEs and suppliers integrated into national and African value chains	Dense SME clusters deeply embedded in global value chains
Trade orientation	Export-oriented; gateway to African markets via AfCFTA	Strongly export-oriented; integrated into EU and global markets
Investment role	Primary destination for FDI into South Africa; regional HQ location	Italy’s top FDI destination and outward-investment base
Financial hub	Johannesburg: Africa’s leading financial centre	Milan: Italy’s financial, commercial and innovation hub
Infrastructure & logistics	OR Tambo International Airport, major road & rail corridors, logistics hubs	Milan airports, dense rail & road networks, proximity to EU markets
Strategic positioning	Platform for African expansion, industrial localisation, energy transition	Platform for advanced manufacturing, design-led exports, EU market access

## Similarities with Gauteng and Lombardy

### The Economy Of Gauteng

Gauteng's Real GDP is approximately R1.6 trillion. Notably, Gauteng has the largest city region GDP in the continent. Over the past year, the economy grew by 1,5% and in the most recent 90 days, Gauteng's 0.5% growth in line with the national rate, demonstrating its resilience as a driver of economic growth in sub-Saharan Africa. Gauteng's diversified base supports long-term stability and growth, even amidst global challenges.

### Key Sectors

- **Diversified Economy:** Gauteng has a diverse economy with strong contributions from sectors such as **finance, manufacturing, wholesale & retail trade, and transport**. This diverse base has allowed Gauteng to absorb shocks, such as global economic challenges, and continue growing.
- **Finance and Business Services:** Dominates Gauteng's economy, contributing **34.6%** of the provincial GDP, mirroring the significance of professional services in Lombardy.
- **Manufacturing:** While manufacturing has declined globally, Gauteng's **manufacturing sector** remains critical, contributing **14.5%** to the provincial GDP. Like Lombardy, which has a strong manufacturing base in machinery, automotive components, precision engineering, electrical equipment, chemicals, and industrial technologies.
- **Service Dominance:** The economy has shifted towards being more service-oriented, with **community services** and government expenditure playing key roles in driving economic activity. This is similar to Lombardy, where the **service sector** also dominates, in areas such as **design-led services, supported by strong universities, research centres, and innovation ecosystems**.
- **Transport and Trade:** Gauteng's strategic role in **trade and logistics** is evident through the **10.2% contribution from the transport sector**. This is comparable to Lombardy's logistics and trade hub, with diversified exports across machinery, vehicles, chemicals, pharmaceuticals.

### The Economy of Lombardy

Lombardy is Italy's largest and most dynamic regional economy, and one of Europe's leading sub-national economies, with a GDP of approximately USD 430–450 billion. As the country's industrial and financial heartland, it generates around one-fifth of Italy's GDP and anchors national growth, innovation, and exports. Centred on Milan as a major financial and commercial hub, Lombardy combines advanced manufacturing with high-value services and is deeply integrated into European and global value chains. Its strategic location, world-class infrastructure, skilled workforce, and full access to the EU Single Market continue to position the region as a prime destination for international investment, industrial upgrading, and innovation-led growth.

### Key Sectors

- **Advanced Manufacturing & Industry:** Lombardy is a European leader in machinery, automotive components, precision engineering, electrical equipment, chemicals, and industrial technologies. Its dense SME clusters and multinational firms are export-oriented, innovation-driven, and deeply embedded in global value chains.
- **Financial Services & Innovation:** Home to Milan, Italy's financial hub, Lombardy leads in banking, capital markets, insurance, corporate headquarters, fintech, and design-led services, supported by strong universities, research centres, and innovation ecosystems.
- **Agri-Food & Agro-Industry:** Lombardy is one of Italy's most productive agri-food regions, specialising in dairy, cereals, meat, and high-value processed foods, linked to advanced food processing, packaging technologies, and global export markets.
- **Trade, Logistics & Connectivity:** Strategically located at the heart of Europe, Lombardy is a major logistics and trade hub, with diversified exports across machinery, vehicles, chemicals, pharmaceuticals, fashion, and food, underpinning resilience and global competitiveness.
- .

## Lombardy- Gauteng: Collaboration and Partnership

***Lombardy brings advanced industrial capability; Gauteng offers scale, market access, and localisation—together creating a Europe–Africa growth platform.***

Sector	Lombardy Strengths	Gauteng Strengths	Collaboration Opportunities
<b>Advanced Manufacturing &amp; Industrial Technology</b>	Mechatronics, automation, robotics, precision engineering, industrial machinery	Automotive manufacturing, mining equipment, capital goods, industrial parks & SEZs	Technology transfer, localisation of machinery, joint manufacturing, supplier development
<b>Automotive &amp; New Energy Vehicles (NEVs)</b>	Automotive components, tooling, design, lightweight materials	OEMs, Tier-1 suppliers, NEV transition pipeline	EV components, battery systems, retooling of plants, supplier localisation
<b>Energy Transition &amp; Industrial Decarbonisation</b>	Grid equipment, energy efficiency, electrification, industrial decarbonisation tech	Energy reform agenda, renewables rollout, industrial users	Grid upgrades, energy-efficient manufacturing, green industrial projects
<b>Mining Services &amp; Critical Minerals</b>	Engineering, processing equipment, industrial technologies	Mining services, beneficiation, mining finance hub	Mine modernisation, processing technologies, critical minerals value chains
<b>Infrastructure, Rail &amp; Logistics</b>	Rail systems, rolling stock components, smart logistics, engineering	Freight rail recovery, urban mobility, logistics corridors	PPP infrastructure projects, rail equipment localisation, smart logistics
<b>Agro-Processing &amp; Food Technologies</b>	Food processing, packaging, cold-chain, agri-machinery	Agro-industrial expansion, export-oriented processing	Value-added processing





# GAUTENG INVESTMENT CONFERENCE

Growing Gauteng Together

## INVITATION

## Our project Pipeline

The *Gauteng Investment Conference* targets **R800bn in investment over five years**. In April 2025 the conference showcased **117 projects worth R239bn** and 115,000 jobs. Key opportunities span **infrastructure, SEZs, logistics, renewable energy, ICT, finance, manufacturing, agro-processing, and tourism**. Anchored by OR Tambo International Airport and five economic corridors, Gauteng positions itself as Africa's most investor-ready region, driving **inclusive industrialisation, innovation, and sustainable growth**.

Here are the **Top 10 Notable Projects** featured in the *Gauteng Investment Book 2025*:

1. **GRRIN Rail Extensions** – 32km link connecting Randburg, Cosmo City, Soweto with Sandton & Marlboro; improves mobility & integration.
2. **Lanseria Smart City** – SA's first post-apartheid smart city; built on green energy, smart infrastructure & innovation.
3. **Waste-to-Energy (Johannesburg)** – Produces 88MW renewable energy from landfill gas & biogesters; supports circular economy.
4. **ORTIA Aerotropolis** – Logistics hub combining industry, commerce & housing; positions OR Tambo as global air hub.
5. **Fresh Produce Market Revamp** – Upgrades Johannesburg's agri-logistics hub; boosts food security & value chains.
6. **West Rand SEZ** – Green industrialisation & mineral beneficiation; drives jobs, clustering & exports.
7. **Vaal SEZ** – Focus on steel, chemicals & energy; revitalises Vaal's industrial economy.
8. **Constitution Hill Upgrade** – Heritage & cultural site redevelopment; strengthens tourism & urban regeneration.
9. **Automotive Industry Hub (Rosslyn)** – Expands auto & aerospace; supports EVs, suppliers & localisation.
10. **Digital Infrastructure Programme** – Broadband corridors & data centres; boosts ICT, fintech & digital economy.



# GAUTENG INVESTMENT CONFERENCE

Growing Gauteng Together

*Gauteng Investment Book*

Source: <https://gic.ggda.co.za/>

## THE GAUTENG INVESTMENT CONFERENCE

## Invitation



# GAUTENG INVESTMENT CONFERENCE

Growing Gauteng Together

## 9 April 2026 | Gauteng Investment Conference 2026 (GIC 2026)

South Africa's premier investment mobilisation platform, the **Gauteng Investment Conference 2026**, convenes global investors, governments, DFIs, and industry leaders to unlock **bankable, execution-ready opportunities** across Africa's most industrialised region. **GIC 2026 is not only a flagship event — it is a systemic driver of inclusive, industrial-led growth for Gauteng and Africa.**

### Why GIC 2026 Matters

By April 2026 and the 12 months that follow, GIC 2026 is expected to deliver:

- **Capital Outcomes:** **R200–R300 billion** in new investment pledges aligned to priority provincial development corridors.
- **Contracts & Agreements:** Signed **MoUs, term sheets, and PPP transactions**, progressed to preferred-bidder stage.
- **Operational Pipelines:** Municipal and cross-border projects integrated into the **Gauteng Deal Book**, with active tracking.
- **Employment Impact:** **Tens of thousands of direct and indirect jobs**, with strong youth, township, and gender-inclusive focus.
- **Reputation & Credibility:** Transparent pledge-to-project conversion, reinforced by high-level diplomatic and investor endorsement.

### Invitation to Italian Partners

Italian firms are invited to:

- Co-invest in **manufacturing, infrastructure, energy, logistics, agro-processing, and advanced industrial value chains**
- Partner with Gauteng as **Africa's gateway market** and platform for continental expansion
- Convert dialogue into **bankable deals and executable projects**


For more information visit: <https://gic.ggda.co.za/>



## QUESTIONS AND ANSWERS





A photograph of the Colosseum in Rome at night. The ancient stone structure is illuminated from within, with warm yellow light glowing through the arches. The sky is a deep blue. In the foreground, there is a metal fence and some trees to the right.

# DETAILED UNDERSTANDING OUR TRADE AND INVESTMENT RELATIONSHIP ITALY



One Team, One Shared Vision

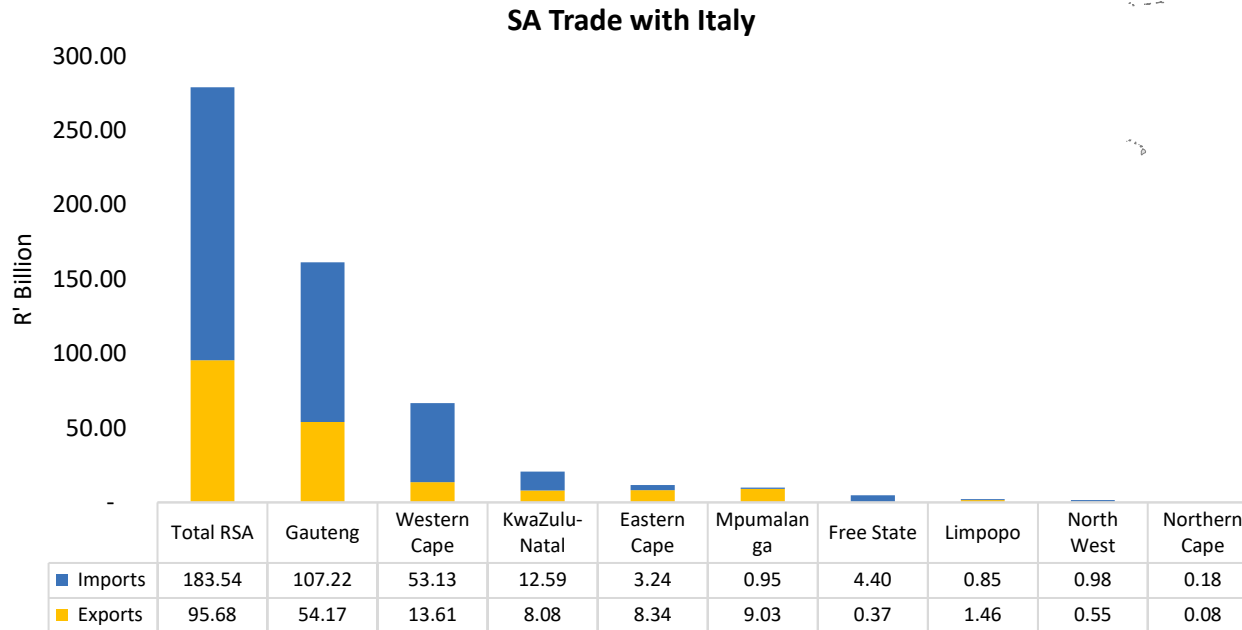




## Strategic Relationship Overview

THEME	SOUTH AFRICA – EUROPE	SOUTH AFRICA – ITALY
Overall relationship	Deep, rules-based, long-standing strategic partnership anchored in trade, investment, development cooperation, and political dialogue. <b>At least 1 055 EU companies</b> are active in South Africa, most invested in <b>Gauteng</b> .	Italy is one of South Africa's <b>most important European partners</b> , in <b>manufacturing, engineering, and industrial services</b> .
Trade position	The EU is <b>South Africa's largest trading bloc</b> (19,7% of total trade).	Italy is the 3 <sup>rd</sup> largest <b>EU trading partner for SA</b> .
Trade framework	Governed by the <b>EU–SADC Economic Partnership Agreement (EPA)</b> , providing preferential access for SA exports and stable rules for European investors.	Trade conducted within the <b>EU–SADC EPA</b> framework.
Key SA exports	Vehicles, automotive components, minerals (PGMs), chemicals, agro-processing.	Vehicles and components; PGMs and processed metals; agricultural products (wine, citrus, value-added food).
Key EU / Italian exports to SA	Machinery, transport equipment, pharmaceuticals, industrial technology.	Industrial machinery; capital equipment; packaging, food-processing, and manufacturing technology.
Investment & FDI	Europe is <b>South Africa's largest source of FDI</b> . European firms are deeply embedded across key industrial sectors.	Strong presence of <b>Italian firms operating in South Africa</b> , especially in industrial and manufacturing value chains.
Industrial integration	Automotive OEMs and Tier-1 suppliers; mining services and equipment; renewable energy, grid technology, rail, and industrial automation.	Automotive components; industrial machinery; construction materials; energy and power equipment.
Operating model	South Africa functions as a <b>manufacturing and services base</b> and a <b>gateway to Sub-Saharan Africa</b> under AfCFTA.	Italian firms typically operate via <b>local subsidiaries, joint ventures</b> , and <b>regional headquarters</b> serving Southern and Sub-Saharan Africa.
Political & institutional anchors	Strategic Partnership since <b>2007</b> . Strong cooperation on climate transition, infrastructure finance, skills development, and innovation.	Long-standing diplomatic relations ( <b>since 1926</b> ). Active business platforms including the <b>Italy–South Africa Business Forum</b> .
Energy & development cooperation	EU is a key partner in <b>Just Energy Transition</b> support.	Italian firms contribute to <b>energy, power equipment, and industrial infrastructure</b> aligned with SA's transition agenda.

SA Trade with Italy is largely driven by Gauteng

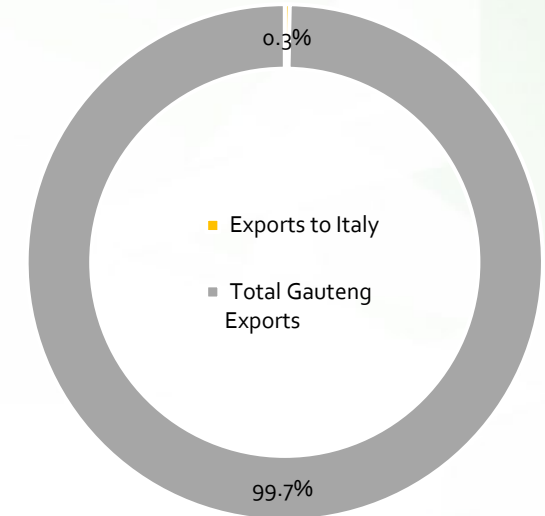
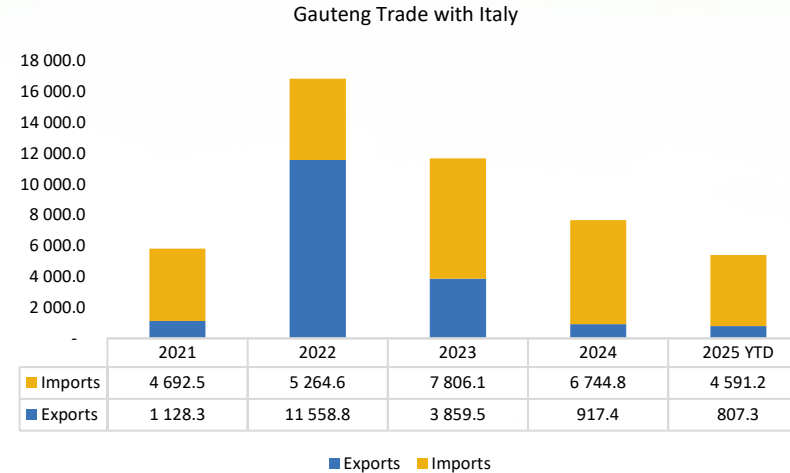
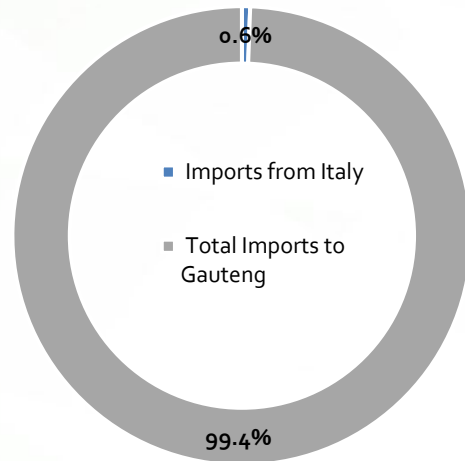


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- **Overall Trade Performance:** Total bilateral trade between **South Africa** and **Italy** amounted to **R66.1 billion** over the period 2021–2025 (YTD). Trade peaked in **2022 at R21.7 billion**, before moderating through 2023–2025 YTD, reflecting weaker global demand and declining commodity prices.
- **Export Dynamics:** South Africa exported **R23.2 billion** worth of goods to Italy over the period, largely driven by a **sharp export spike in 2022 (R14.0 billion)**. Export values declined thereafter, resulting in an average **annual contraction of 6.7%**, primarily due to reduced exports of **mineral fuels, iron ore, nickel, and copper**. Notwithstanding the overall decline in traditional exports, **aluminium, cereals, and jewellery** have emerged as some of the **fastest-growing export categories since 2021**, signalling early signs of export diversification.
- **Import Dynamics:** Imports from Italy totalled **R42.9 billion** over 2021–2025 YTD, consistently exceeding exports. Import levels remained elevated in **2023 (R10.9 billion)** and **2024 (R10.1 billion)**, driven by continued demand for **Italian manufactured, capital, and high-value consumer goods**. Over the period, imports recorded **average annual growth of 1.2%**, highlighting the resilience of Italy's export position in the South African market.
- **Trade Balance:** The bilateral relationship resulted in a **national trade deficit of approximately R19.6 billion** in favour of Italy over the period.

## Gauteng Trade with the Italy

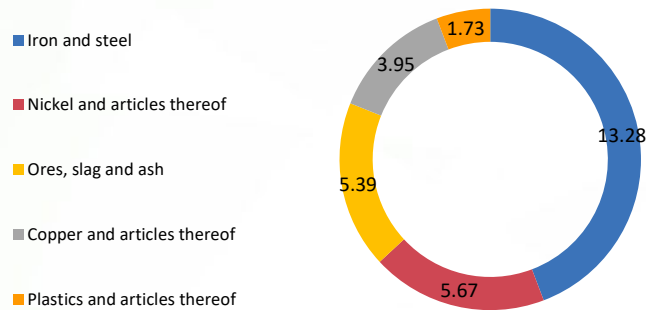
## Share of GP exports to Italy



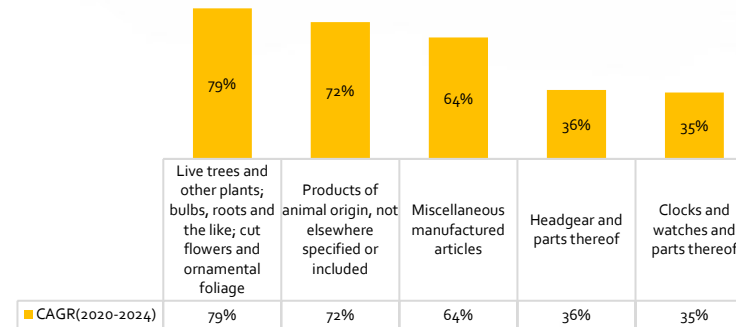
- **Trade Overview (2021–2025 YTD):** Total bilateral trade between **Gauteng** and **Italy** amounted to **R47.4 billion** over the period 2021–2025 (YTD). Trade activity peaked in **2022 at R16.8 billion**, before moderating through 2023–2025 YTD, reflecting a broader global and national slowdown in commodity-linked trade.
- **Export Performance:** Gauteng exports to Italy totalled **R18.3 billion** over the period, largely driven by a **once-off surge in 2022 (R11.6 billion)**. Export values declined thereafter, indicating a normalisation following the 2022 peak and underscoring the **volatility of Gauteng’s export basket to Italy**.
- **Import Performance:** Imports from Italy reached **R29.1 billion**, consistently exceeding exports throughout the period. Import values remained comparatively resilient, with elevated levels recorded in **2023 (R7.8 billion)** and **2024 (R6.7 billion)**, highlighting Italy’s role as a stable supplier of manufactured, processed, and technology-intensive goods to Gauteng.
- **Export Contribution:** Over 2021–2025 YTD, the **Gauteng City Region** exported **R18.3 billion** worth of goods to Italy, accounting for **78.6% of South Africa’s total exports to Italy**. This underscores Gauteng’s role as the **primary gateway and production hub** for South Africa–Italy trade. Gauteng’s exports to Italy currently account for only **0.3% of Gauteng’s total exports**, signalling **significant headroom for expansion**. This underscores the opportunity to deepen bilateral trade through **diversification of export products, increased value-addition, and stronger investment-trade linkages** between Gauteng and Italy.
- **Import Concentration:** Imports into South Africa from Italy amounted to **R42.9 billion** over the period, of which **R29.1 billion (67.9%)** was destined for Gauteng. This reflects Gauteng’s role as the **primary consumption, industrial, and distribution hub** for Italian goods.

## Gauteng Trade with the Italy

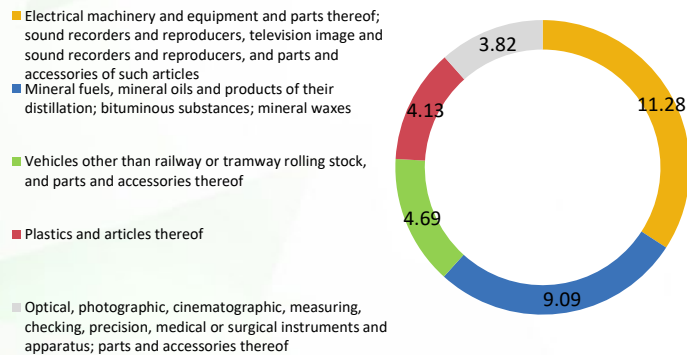
Top 5 Exports from Gauteng to Italy



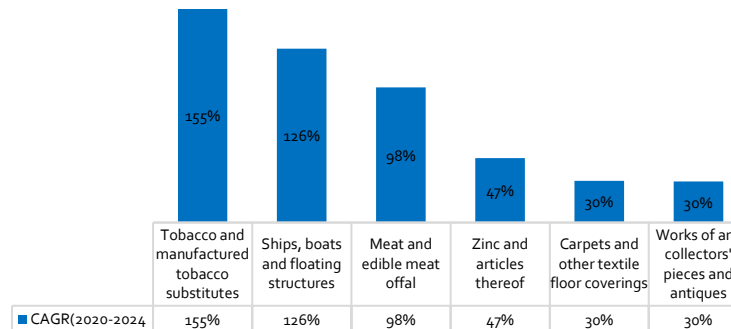
Best performing Exports from Gauteng to Italy



Top 5 Imports from Italy to Gauteng



Best Performing Imports from Italy to Gauteng



### Synopsis: Gauteng–Italy Trade Relationship

- Overall Trade Structure and Balance:** Gauteng's trade relationship with Italy is **structurally import-led**, with Italy consistently recording a trade surplus over the period 2021–2025 (YTD). While total bilateral trade peaked in **2022**, driven by a once-off surge in Gauteng exports, subsequent years show **normalisation of exports** alongside **resilient and rising imports** from Italy. This underscores Italy's role as a **strategic supplier of high-value manufactured and capital goods**, rather than a balanced two-way trading partner.
- Export Performance: Volatile but Niche-Driven:** Gauteng's exports to Italy are **highly volatile**, characterised by episodic spikes rather than sustained growth. The 2022 export surge (over R11.5bn) was not maintained, with exports falling sharply in 2023–2025 YTD. However, beneath this volatility lies **strong growth in niche product categories**, evidenced by high CAGRs (2020–2024), including:

- **Live plants and ornamental foliage (79%)**
- **Products of animal origin (72%)**
- **Miscellaneous manufactured articles (64%)**

These categories point to **specialised agro-processing, light manufacturing, and niche industrial capabilities** within Gauteng, rather than large-scale diversified export penetration into the Italian market.

- Import Profile: Capital- and Technology-Intensive:** Imports from Italy into Gauteng are **consistently strong and diversified**, with particularly rapid growth in:
  - **Manufactured tobacco products (155% CAGR)**
  - **Ships, boats and floating structures (126%)**
  - **Meat and edible offal (98%)**

#### 4. Strategic Interpretation

The Gauteng–Italy trade relationship is best characterised as:

- **Deep but asymmetric**
- **Technology- and machinery-led on the Italian side**
- **Commodity- and niche-export-led on the Gauteng side**
- **Under-leveraged in terms of investment-trade-industrial linkages**

There is **significant unrealised potential** to rebalance the relationship through:

- Localisation of Italian machinery and industrial inputs in Gauteng SEZs
- Joint ventures in agro-processing, green manufacturing, and advanced materials
- Stronger alignment between trade flows and **FDI, supplier development, and skills transfer**

This confirms Italy's position as a **technology, machinery, and advanced manufacturing partner**, embedded in Gauteng's industrial, infrastructure, automotive, and energy value chains.

## Italy as a Destination Market for Gauteng Goods

Strategic Export Category	Key Goods / HS Groupings	Destination's Share of Export Category against other markets	Strategic Significance for Gauteng	Market Logic in Italy
<b>Natural Materials &amp; Crafts</b>	Manufactures of straw, basketware, wickerwork	<b>14%</b>	Strong SME and creative-economy competitiveness; low capital intensity	Italy values artisanal, heritage, and design-led products
<b>Metals &amp; Industrial Inputs</b>	Nickel and articles thereof	<b>11%</b>	Critical upstream input into automotive, machinery, alloys	Italian advanced manufacturing requires secure raw material supply
<b>Cultural &amp; Creative Goods</b>	Works of art, collectors' pieces, antiques	<b>8%</b>	High-identity exports; supports cultural diplomacy and niche trade	Italy is a global art, auction, and collector hub
<b>Base Metals &amp; Construction Inputs</b>	Copper, iron and steel	<b>~12% combined</b>	Positions Gauteng in European industrial supply chains	Demand from construction, infrastructure, and machinery sectors
<b>Leather &amp; Animal Inputs</b>	Raw hides and skins (non-furskins), leather	<b>6%</b>	Strong upstream capability but limited local beneficiation	Italy dominates downstream leather processing
<b>Minerals &amp; Materials</b>	Salt, sulphur, stone, cement, plaster materials	<b>5%</b>	Bulk industrial inputs; stable demand	Italian construction and materials industries
<b>Light Manufacturing</b>	Plastics, apparel, footwear components	<b>~7% combined</b>	Indicates latent manufacturing capability	Opportunities for upgrading via JV and technology transfer
<b>Agro &amp; Niche Agriculture</b>	Edible fruit and nuts, fats and oils, silk (small volumes)	<b>&lt;5%</b>	Premium, niche export potential	Italy's high-end food and lifestyle markets

**Destination Market Insight:** Italy absorbs upstream, niche, and culturally distinctive Gauteng goods, but value capture remains constrained by **limited downstream processing and branding**.



## Italy as a Source Market for Gauteng Enterprises

Strategic Import Category	Key Goods / HS Groupings	Markest share of Imports against other markets	Strategic Importance for Gauteng	Role in Gauteng Economy
<b>Leather &amp; Fashion Goods</b>	Raw hides & skins, finished leather products	<b>50.4%</b>	High dependency on Italian finishing and design	Retail, fashion, automotive interiors
<b>Luxury &amp; Consumer Design</b>	Furskins, footwear, headgear	<b>~40% combined</b>	Italy as premium consumer goods supplier	Middle- to high-income consumption
<b>Processed Foods &amp; Consumables</b>	Meat & fish preparations, cocoa products	<b>~27%</b>	Imports substitute for local processing	Food retail and hospitality
<b>Metals &amp; Industrial Articles</b>	Base metal articles, nickel products	<b>~17%</b>	Embedded in construction and light industry	Manufacturing and infrastructure
<b>Ceramics &amp; Construction Finishes</b>	Ceramic products	<b>6.5%</b>	High-end finishes and fittings	Real estate and construction
<b>Furniture &amp; Interiors</b>	Furniture, bedding, mattresses	<b>~6%</b>	Design-led imports	Commercial and residential property
<b>Chemicals &amp; Inputs</b>	Tanning/dyeing extracts, soaps, preparations	<b>~5%</b>	Inputs into local manufacturing	Industrial processing
<b>Specialised Equipment &amp; Goods</b>	Optical, measuring instruments, niche machinery	Smaller but strategic	Technology and precision capabilities	Health, engineering, quality control

**Source Market Insight:** Italy functions as a **technology, design, and processing supplier** to Gauteng—particularly in **leather, consumer goods, construction finishes, and food processing**.

## Top 5 SA and Italy Exports Destinations

*Gauteng and Lombardy are the export engines of their respective economies, anchored by advanced manufacturing, diversified industrial value chains, and strong integration into global markets. Gauteng's exports are heavily oriented to Asia and Europe, with an important and growing African share. Lombardy's exports are strongly EU-centric, with Germany and France leading, and the US as the main extra-EU market.*

### Gauteng Top 5 Exports Destination

China

India

Japan

Germany

Switzerland

### Lombardy Top 5 Export Destination

Germany

France

United States

Spain

Switzerland

#### Gauteng

- The province's exports are anchored by automotive vehicles and components, supported by major OEMs and Tier-1 suppliers, alongside **precious metals and minerals (PGMs)** linked to mining, refining, and beneficiation activities headquartered in Gauteng. Strong export contributions also come from **machinery and capital equipment, chemicals and pharmaceuticals, and processed industrial and consumer goods**. This diversified export base, combined with Gauteng's advanced logistics, financial services, and corporate headquarters, positions the province as South Africa's primary platform for manufacturing exports and access to African markets.

#### Lombardy

- The region's export profile reflects a highly diversified and high-value industrial base, **led by mechatronics and advanced machinery, which underscores Lombardy's strength in industrial technology and precision manufacturing**. This is complemented by **globally recognised fashion and design exports, a strong food and beverage sector**, and furniture and interior products. Together, these sectors position Lombardy as one of Europe's most competitive and export-oriented regional economies.

# ITALIAN FOREIGN DIRECT INVESTMENT

## FDI is Diverse Across Sectors

## Notable Investing Companies

Sector / Cluster	Capex (Approx.)	Jobs Created
Industrial equipment & machinery	R285 million	62
Building materials & construction	R285 million	36
Automotive & transport equipment	R129 million	49
Consumer products & retail	R469 million	474

Billionaire

Giorgio Armani

Lousia Spagnoli

Matec Industries

Diesel

Henge

Nomination

TeMa Technologies

Dolce &amp; Gabanna

Inticom (Yamamay)

Pirelli

Sebago

FlexLink Systems

Lucchini RS

Prada

Meditalia



&gt;R1,17 billion worth of FDI



&gt; 621 jobs

### Key Insight

- Since 2020, the Gauteng City Region has received at least R1.17 billion worth of foreign direct investment from Italian companies.
- FDI from Italy has created 621 direct jobs in Gauteng
- **Gauteng captured 50% of all Italian FDI projects** into South Africa during 2019–2025.
- Italian investment in Gauteng is job-intensive and value-chain deep, focused on:
  - Manufacturing Logistics & distribution
  - Automotive and industrial services
  - Consumer-facing market access
- Retail and consumer products account for the largest share of job creation, while industrial equipment and construction materials dominate productive capacity investment.
- Unlike capital-heavy renewable energy projects elsewhere in South Africa, Gauteng attracts operational, headquarters, manufacturing, and market-serving investments



THANK YOU



One Team, One Shared Vision