

Foreign direct investment projects

The [TIPS Foreign Direct Investment Tracker](#) monitors FDI projects on a quarterly basis, using published information. Monitoring added 17 projects in the second quarter of 2025, with 10 reporting on their value, for a total of R26.9 billion. Projects were registered across mining, manufacturing, services and utilities. In addition, 13 pre-existing projects were updated.

New project announcements

Mining recorded the largest investment value, attributed to Frontier Rare Earths R16.8 billion planned investment in the Zandkopsdrift mine and processing plant in the Northern Cape (Table 2). In electricity, the Department of Electricity and Energy announced five preferred bidders under Bid Window 3 of the Battery Energy Storage Independent Power Producer Procurement Programme, representing an investment of R9.5 billion. Manufacturing investment includes facility upgrades – MAN Automotive modernised its facility to assemble electric buses locally. Services registered three projects, with the R126 million value attributed to Rangel Logistics Solutions' warehouse expansion. Luxembourg was the leading source of investment, due to the Zandkopsdrift mining project, followed by Denmark (R7.3 billion) and Norway (R2.2 billion). The Northern Cape received the most investment, by value, again due to the Zandkopsdrift mine.

Table 2: FDI projects captured in the second quarter of 2025

INVESTOR COMPANY	COUNTRY OF ORIGIN	ANNOUNCED VALUE R BNS	LOCATION	PROJECT SUMMARY
Mining: R16.8 billion				
Frontier Rare Earths	Luxembourg	16.8	Northern Cape	Magnet rare earths and battery grade manganese project
Utilities: R9.5 billion				
Scatec	Norway	2.2	Free State	123 MW BESS
Mulilo	Denmark	1.8	Free State	124 MW BESS
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Maxion Wheels/ Terra Firma	Germany	Not reported	Gauteng	Solar installations
De Heus South Africa	Netherlands	Not reported	Limpopo	Ground mount solar installation
Manufacturing: R492 million				
Sew-Eurodrive South Africa	Germany	0.4	Gauteng	Multi-purpose service and repair facility
Mann+Hummel	Germany	0.1	Gauteng	Southern Africa manufacturing hub
MAN Automotive	Germany	0.05	KwaZulu - Natal	Electric bus manufacturing and skills development
Magotteaux Grinding Media South Africa	Belgium	Not reported	Gauteng	Installed new machinery
Scania South Africa	Sweden	Not reported	Gauteng	Bus and truck chassis assembly plant
Archer Daniel Midland	United States	Not reported	Gauteng	Office expansion
Services: R126 million				
Rangel Logistics Solutions	Portugal	0.1	Gauteng	Extended warehouse facility

INVESTOR COMPANY	COUNTRY OF ORIGIN	ANNOUNCED VALUE R BNS	LOCATION	PROJECT SUMMARY
Bureau Veritas South Africa	France	Not reported	Gauteng	New regional head office
AGL Terminals	France	Not reported	Western Cape	Modernisation of A-Berth port

Note: Numbers may not always sum to the exact total investment amounts due to rounding.

Source: TIPS FDI Tracker database.

Greenfield projects make up the highest announced value and number of projects by type (Table 3).

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

	STAGE	ANNOUNCED	FEASIBILITY	IMPLEMENTATION	COMPLETE	TOTAL VALUE	NUMBER
Investment type	Greenfield	16.8	9.5	0.4	0.1	26.7	8
	Expansion	-	-	-	0.1	0.1	2
	Upgrade	-	0	-	0	0.0	6
	Brownfield	-	-	0	-	0.0	1
Total value		16.8	9.5	0.4	0.2		
Number		6	1	2	8		

Note: Numbers may not always sum to the exact total investment amounts due to rounding.

Source: TIPS FDI Tracker database

Updates

Progress continued across multiple projects (Table 4). In the energy sector, the 100 MW Red Stone concentrated solar power (CSP) plant achieved full commercial operation, while construction advanced on EDF Renewables Koruson 1 wind energy cluster. In addition, Globeleq and local partner, African Rainbow Energy, reached commercial close on the Red Sands Battery Energy Storage System (BESS) while Hive's planned solar PV cluster received all required permits. YOA Cables completed facility expansion and Volkswagen Group Africa (VWA) is commissioning plant upgrades after a R4 billion modernisation project in manufacturing. Despite being among members of the South African Tyre Manufacturing Conference that pledged a collective R4.9 billion investment by the end 2024, Goodyear closed its tyre manufacturing plant this quarter. Mining projects by Wesizwe Platinum, Ivanhoe Mines, and Ironveld are progressing. One of Ironveld's other investments, the Bokone Smelting complex (formerly Ferrochrome Furnaces) has, however, been placed on care and maintenance. In services, the Zululand Terminal moved forward by signing a terminal operator agreement, while the International Container Terminal Services (ICTSI) concession award is facing legal challenges.

Table 4: Projects updated in the second quarter of 2025

COMPANY	PROJECT	ANNOUNCED VALUE (R BNS)	INDUSTRY	PROGRESS UPDATE
ACWA Power	Redstone CSP	11.6	Electricity	Full commercial operation
YOA Cables	YOA fibre optic manufacturing plant project	0.2	Manufacturing	Launched expanded manufacturing hub
Wesizwe Platinum	Bakubung Platinum Mine (BPM) project.	10.7	Mining	Started trial production at the processing plant

COMPANY	PROJECT	ANNOUNCED VALUE (R BNS)	INDUSTRY	PROGRESS UPDATE
EDF Renewables	Koruson 1 wind energy cluster	8.1	Electricity	Commissioned first substation
VWA	VWA new vehicle model	4	Manufacturing	Commissioning plant upgrades
Ivanhoe Mines	Platreef PGM project	1	Mining	Entered Flatreef orebody
Ironveld/Sable Exploration and Mining	Lapon Magnetite plant	Not reported	Mining	Completed first blast
Hive Hydrogen	Coega Green Ammonia- solar PV cluster	15	Electricity	Fully permitted, expanded by additional 200MW
Globeleq/ African Rainbow Energy	Red Sands BESS	5.7	Utilities	Commercial close
Vopak Terminal Durban and Transnet pipeline consortium	Zululand Terminal	1	Services	Signed terminal operator agreement
Transnet/ ICTSI	Durban Container Terminal Pier 2	12	Services	Facing opposition to concession awarded by Transnet
Ironveld	Bokone Smelting complex refurbishment	0.04	Mining	Facility placed under care and maintenance
Goodyear South Africa	Goodyear	Not reported	Manufacturing	Closed manufacturing plant

Source: TIPS FDI Tracker database.