

Driving Growth Opportunities through Investment



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Goal

Private-sector investment will be 20% of regional GDP (translating to R200-billion) by 2035.

Why it matters

The accumulation of fixed capital raises productivity capacity, increases productivity, and improves business confidence. It is a critical contributor towards GDP growth.

Private-sector investment (GFCF as a percentage of GDP)



Source: World Bank; SARB / Quantec (Western Cape

Objective

The Western Cape is the investment destination of choice for local and international investors in a range of growth opportunities, providing an enabled environment and strong networks of ecosystems.

Western Cape Government



Theory of Change for Driving Growth Opportunities through Investment

Government

Challenge Statements		Change Strategies	Medium-term Results Areas	Long-term Results	Goal Area
Negative perceptions of SA both externally & internally – low confidence	Smart inv promotion, facilitation & support Enabling & competitive environment Strong supportive eco-systems of collaboration , intelligence sharing & trust	Develop Cape brand, image building (overall & for specific opps) and advocacy	WC and top growth opp specific branding & materials (repository of successes, playbook) & initiated foreign & local comm plans	Investors have fast, responsive govt support, feel valued & have information with high realization rate	
WC Investment Brand & value proposition not strongly		Growth opportunity marketing and promotion	Advocacy network with strong international reach, leveraging Saffer base	WC has strong domestic & international brand recognition in diversified set of sectors &	
known/unfavourable Eco-system of investment		Strengthen inv support eco-system (1) investment & opportunity (2) facilitation & support system	Robust investor service delivery eco-system Opportunities Use govt land to catalyse growth opportunities, and create hubs e.g. 2 nd film studio High level of awareness and referrals of investors to the Western Cape		
support and facilitation not optimised		Develop municipalities as critical facilitator of investment			Private sector investment will be 20% of regional GDP (translating to R200 billion) by
Lack of intelligence about inv trends & data		Retaining & expanding existing investors & leveraging their inv for advocacy & value-chain integration	Nuanced packages support & incentives offered to investors to improve competitveness	WC has competitive offering which reduces bus risk	
Lack of enabling inv environment with key					
binding constraints		Bespoke sector support packages for opportunity realization	Establish & test different support eco-system models for growth coalitions & opportunity responsiveness	Strong sets of govt & bus eco-systems which collectively addresses challenges & chases	2035
Trust deficit between		Improve investment/enabling climate,	Y	opportunity & increases investment in diversified sets of opportunities	
investors & govt		including policy impacts ◆	2 – 3 top foreign & domestic investor-specific constraints addressed (visa, EoDB mindsets)	Investments and expansions positively contribute to increased diversification, exports,	
Macro-economic Challenges inc low growth		Develop an investor friendly attitude by govt officials & overcome trust deficit	Build officials' capacity; initiate relevant	Bus & govt have high degree of trust ◆	
Few incentives and 'levers' to offer investors		Develop models of collaboration for local growth opp and sectors	interventions (eg SWAT teams for investors, inv committee, relationship platforms etc) ◆		
Weak and fragmented domestic eco-systems		Strengthen-Investment & Opportunity Eco IQ	Capacitated and resourced Economic IQ and eco-system of economic information inc spatial All investment (domestic & FDI) tracked & dash-board	All investment (domestic & FDI) tracked & live dash-board	

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