

Automaker Stellantis to invest R3bn in South Africa

With the Industrial Development Corporation (IDC) and the Department of Trade, Industry and Competition (the DTIC), global automotive manufacturer Stellantis has confirmed its intention to develop a greenfield manufacturing facility in Coega situated near Gqeberha in the Eastern Cape.



Seated from left to right: Ebrahim Patel, Samir Cherfan | **Standing from left to right:** Kweezzi Tiya, Malebo Mabitje-Thompson, Inrran Sayed, Leslie Ramsoorarr | Source: Supplied

Minister Ebrahim Patel, senior officials from the IDC and Samir Cherfan, Stellantis Middle East and Africa chief operating officer, met at the parliament buildings in Cape Town to agree on investment in the South African motor industry.

The greenfield manufacturing project is planned to be completed by the end of 2025.

The first launch planned for early 2026 is a one-ton pick-up truck with volumes expected to reach up to 50,000 completely knocked down (CKD's) units annually including export, in line with the industry masterplan, the Automotive Production Development Program (APDP).



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7 Sep 2023



The plant will be predisposed in terms of space and painting to go up to 90,000 units/year.

“Direct employment to support the first capacity step is expected at 1,000 jobs.

“Stellantis will be massively investing in over 500,000 hours of training and skills to develop and support the local teams to the level of global standards.

“We are targeting a localisation rate over 30%,” Stellantis said in a statement.

Khwezi Tiya, CEO of the Coega Development Corporation (CDC), said:

“ *This is a much-needed and welcomed economic boost for the Eastern Cape Province with an anticipated economy-wide impact on the province’s GDP of R664m. Household income is anticipated to increase to R558.4m within the Nelson Mandela Bay Municipality (NMBM) and R577.4m or the entire province. Most importantly, an anticipated 1,800 jobs will be created in the Metro and around 2097 for the EC Province.*

The CDC is enthralled for Stellantis to have chosen the proposed site in Coega for their Southern African manufacturing operations. Joining other major manufacturers in the area makes the Coega region the primary automotive hub in the country. The investment in the plant, employment, training and skills transfer will certainly benefit the region tremendously. ”

“It is a wonderful day for all South Africans when a global company of Stellantis’ proportions decides to expand its manufacturing footprint in South Africa, to assemble completely knocked down units,” said Ebrahim Patel, Minister of Trade, Industry and Competition.

“South Africa currently has the capacity to produce close to 700,000 vehicles annually. This will add considerable additional capacity, just as we prepare to implement the African Continental Free Trade Area.



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Lindsey Schutters 7 Jul 2023



“The country remains a great investment destination and this commitment from Stellantis to invest in our local motor industry highlights the success of our manufacturing sector policy, its capability and potential. We look forward to welcoming Stellantis to South Africa and sharing in the detailed plan for employment and investment,” Patel said.

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