

Benteler expansion a boost for automotive manufacturing industry

Trade, Industry and Competition Minister, Ebrahim Patel, says the expansion of the Benteler South Africa plant Gqeberha represents a significant milestone in South Africa's thriving automotive manufacturing industry.



Source: [Unsplash](#)

The minister has welcomed the investment made by Benteler, which has resulted in the expansion of the Gqeberha plant by over 9,000m², positioning it as the third hot-forming plant in South Africa. The company started operating in Gqeberha in 2011.

Patel said this development reaffirms the nation's growth trajectory and its status as a hub for automotive production, not just in the Eastern Cape province.

During the construction phase, this expansion generated employment opportunities for 236 individuals and provided business opportunities to 42 different companies.

Furthermore, it is anticipated that an additional 50 skilled jobs will be created, increasing Benteler's workforce from 697 to 743.

"This investment is significant, as it will achieve an annual import replacement value of an estimated R1bn," Patel said in his address via a video message.



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"The investment is also a testament to the efficacy of the Department of Trade, Industry and Competition's Automotive Production and Development Programme (APDP) and the Automotive Investment Scheme (AIS), operating within the

framework of the South African Automotive Masterplan (Saam).

“It highlights the pivotal role played by component manufacturing, a fundamental element of the APDP's objectives, especially in light of the constant evolution in vehicle technologies and manufacturing processes.”

The minister said the investment underscores the growing recognition among original equipment manufacturers (OEMs) of the advantages of purchasing from localised suppliers.

“OEMs have seen that through local manufacturing of components, they can mitigate offshore supply chain costs, ultimately resulting in the creation of local jobs.”

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