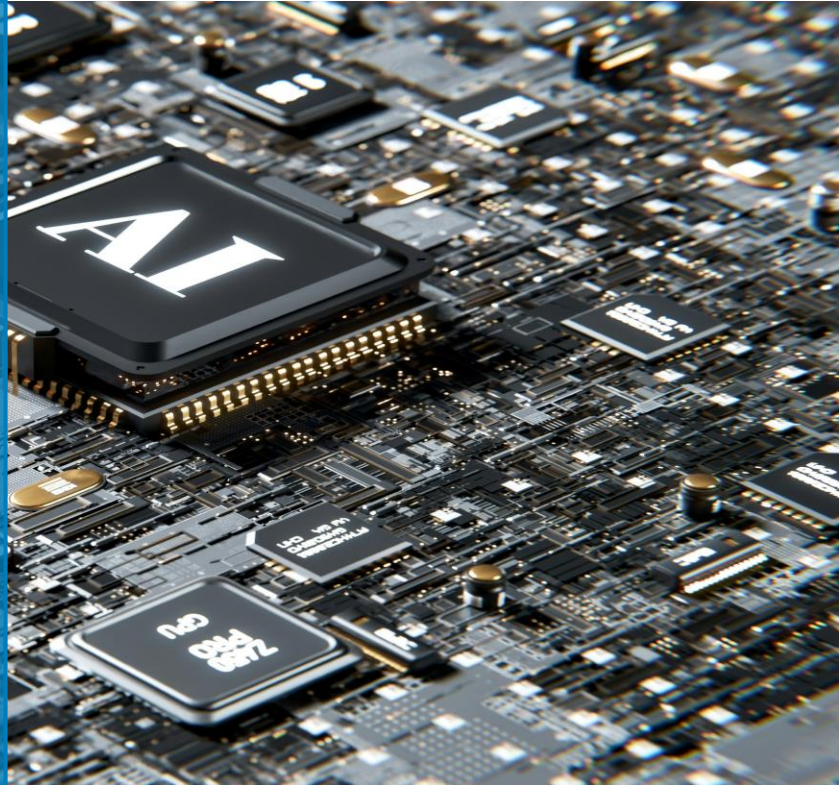




- Globally, AI has witnessed increased levels of adoption across public and private sectors. The 2023 global spend data was reported to have reached USD 154 billion (R2.8 trillion), with the financial sector leading at USD 20.6 billion (R374.7 billion), followed by e-commerce and retail at USD 19.7 billion (R358.7 billion).<sup>1</sup>
- The global artificial intelligence (AI) market is projected to reach USD 1.8 trillion by 2030, driven by widespread adoption across healthcare, finance, agriculture, and logistics.<sup>2</sup>
- Africa is expected to witness a USD 1.2 trillion (R21.88 trillion) increase towards the continent's GDP by 2030, a 5.6% increase.<sup>3</sup>
- The African AI landscape is rapidly evolving. Analysis by the AI Media Group since 2021 has shown the ecosystem has grown from 2473 to 5906 companies with a declared specialism in AI.<sup>4</sup>
- South Africa ranks among the top three African countries in AI readiness, supported by national initiatives like the Presidential Commission on the Fourth Industrial Revolution (PC4IR) and the AI Institute of South Africa (AISIA). The Draft National AI Policy Framework released in 2024 emphasizes ethical AI, innovation, and inclusion.<sup>5</sup>



# WESTERN CAPE ARTIFICIAL INTELLIGENCE INVESTOR OPPORTUNITY FACTSHEET

## OUR UNIQUE SELLING POINTS

### 1 STRATEGIC INFRASTRUCTURE

Cape Town hosts Africa's first AWS cloud region, enabling scalable AI development. Microsoft's R5.4 billion investment by 2026 will expand AI and data infrastructure in the region.<sup>6</sup>

### 2 ACADEMIC INSTITUTIONS

The Western Cape's strong academic institutions and burgeoning tech ecosystem offer unique opportunities for focused AI research to address unique African challenges.

### 3 EXPORT OPPORTUNITIES

AI solutions tailored to African contexts (e.g., drought prediction, telemedicine, African language chatbots) offer competitive advantages in global market.

## WHY INVEST IN THE WESTERN CAPE

### Mature active ecosystem cluster

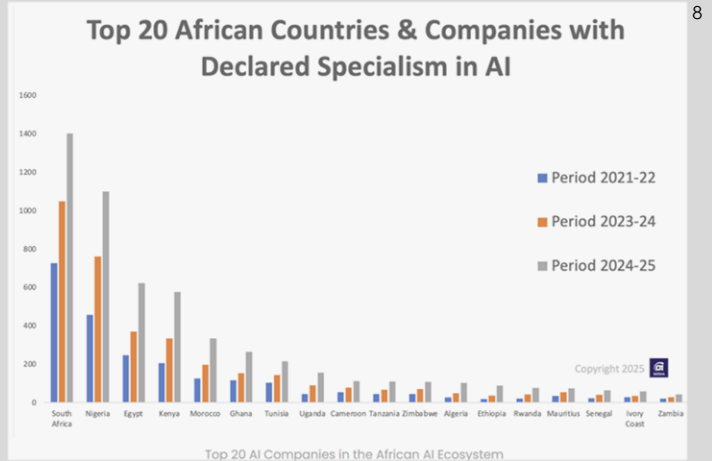
Western Cape has an established tech cluster and a dense community of startups, hubs and incubators that amplify knowledge sharing, talent mobility and investor networks. The "cluster effect" increases innovation velocity and reduces time-to-hire for specialised skills.

### Investor confidence:

The province attracted R171 billion in FDI between 2021 and 2023, with a significant portion directed toward tech and AI-related projects.<sup>7</sup>

### Specialised AI production across high impact verticals

The region has genuine AI-to-market success stories in manufacturing (e.g., DataProphet), agriculture (e.g., Aerobotics), and data-competitions/talent marketplaces (e.g., Zindi). These firms demonstrate the Cape's strength in delivering applied AI products that have measurable ROI (yield forecasting, defect reduction, model competitions/solutions).



## WHERE TO INVEST IN THE WESTERN CAPE

### SECTORAL APPLICATIONS

- Agriculture: AI for crop monitoring, pest control, and yield prediction
- Healthcare: Diagnostics, remote monitoring, and predictive analytics
- Creative Industries: Generative media and content localization
- Public Services: Smart city initiatives, traffic management, and citizen engagement platforms

### GEOGRAPHIC CLUSTERS

- Cape Town CBD: Fintech and healthtech startups, Stellenbosch: Agritech and medtech innovation, Atlantis Special Economic Zone and Freeport Saldanha Industrial Zone: Potential site for AI hardware manufacturing and drone integration

### INFRASTRUCTURE & R&D

- Establish AI-focused innovation hubs, testing facilities, and data centres

## ARTIFICIAL INTELLIGENCE BUSINESSES IN THE WESTERN CAPE

dataprophet

Aerobotics

ZiND!

CLEVA

SALUS

cortexlogic  
The AI Engine for Business



REACH

plentify

ai  
MEDIA

Scan for more information  
E-mail: [Investment@westerncape.gov.za](mailto:Investment@westerncape.gov.za)

7. IOL. (2025). Western Cape attracts R171bn in FDI. Available at: <https://www.iol.co.za/business-report>

8. AI Media Group (2025) The African AI Ecosystem Top 20 Countries. AI Expo Africa (news article), 29 August. Available at: <https://aiexpoafrika.com/the-african-ai-ecosystem-top-20-countries/> (Accessed: 18 September 2025).