



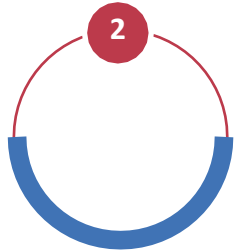
OPPORTUNITIES FOR GROWTH AND INVESTMENT IN GAUTENG

One Team, One Shared Vision

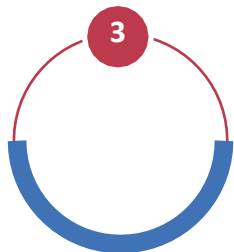




1 GROWING INFRASTRUCTURE BASE – There is an existing base to support a diversified economy and spatial transformation investments to grow the infrastructure base.



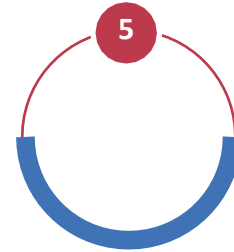
2 HOT EMERGING MARKET - Growing Middle Class, Affluent Consumer Base, Excellent returns on investment.



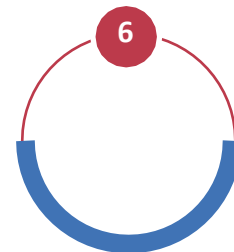
3 GLOBAL COST ADVANTAGE WHEN COMPARED TO PEERS – Gauteng is comparatively cheaper when it comes to land and labour.



4 INSTITUTIONAL BASE FOR GOVERNANCE – Gauteng is home to established judicial and regulatory institutions, the largest stock exchange in Africa and the African headquarters for large multinational companies. The province has received global recognition for sound corporate governance.



5 ESTABLISHED SECTORS – Gauteng has a number of established sectors (i.e. Auto Finance, BPO, Manufacturing, Mineral beneficiation, Agro-processing and Tourism) that offer economies of scale and related services.



6 FAVOURABLE ACCESS TO AFRICAN MARKETS - Advantage of close proximity to Southern African countries and established infrastructure. The African Continental Free Trade Area (AfCFTA) will boost intra - Africa trade and create a bigger market of over 1 billion people with a GDP of \$2.6 trillion that will unlock industrial development.



Inspiring new ways



GAUTENG GROWTH AND DEVELOPMENT AGENCY



YOUNG TRAINABLE LABOUR FORCE – Gauteng has 3 of the top 5 universities in South Africa producing a diversely skilled, talented and capable workforce. There is a large pool of trainable labour and ample government support for training and skills development.

SPECIAL ECONOMIC ZONE INVESTMENT INCENTIVES



Infrastructure funding: With the support of the dti SEZ fund, designated SEZs can apply for grant infrastructure funding for the development of bulk and top structure, resulting in lower rental rates being offered to the market



Duty-free imports of raw materials or equipment utilised for production in the Zone



Tax deductions of up to **ZAR900m** in respect of projects above **ZAR200m**



A lower corporate tax of 15% vis-à-vis the standard 28% is proposed for companies housed within the SEZ



Exemption from Value Added Tax for goods produced in the Zone for export



All employers operating in a designated SEZ are entitled to access the **employment tax incentive**, assisting to reduce the employer's cost through a **cost sharing mechanism with government**



Provision of **working capital loans through a metals financing scheme**



Businesses operating within approved SEZs will be eligible for an **accelerated depreciation allowance on capital structures (buildings)** at a rate equal 10 per cent per annum over 10 years



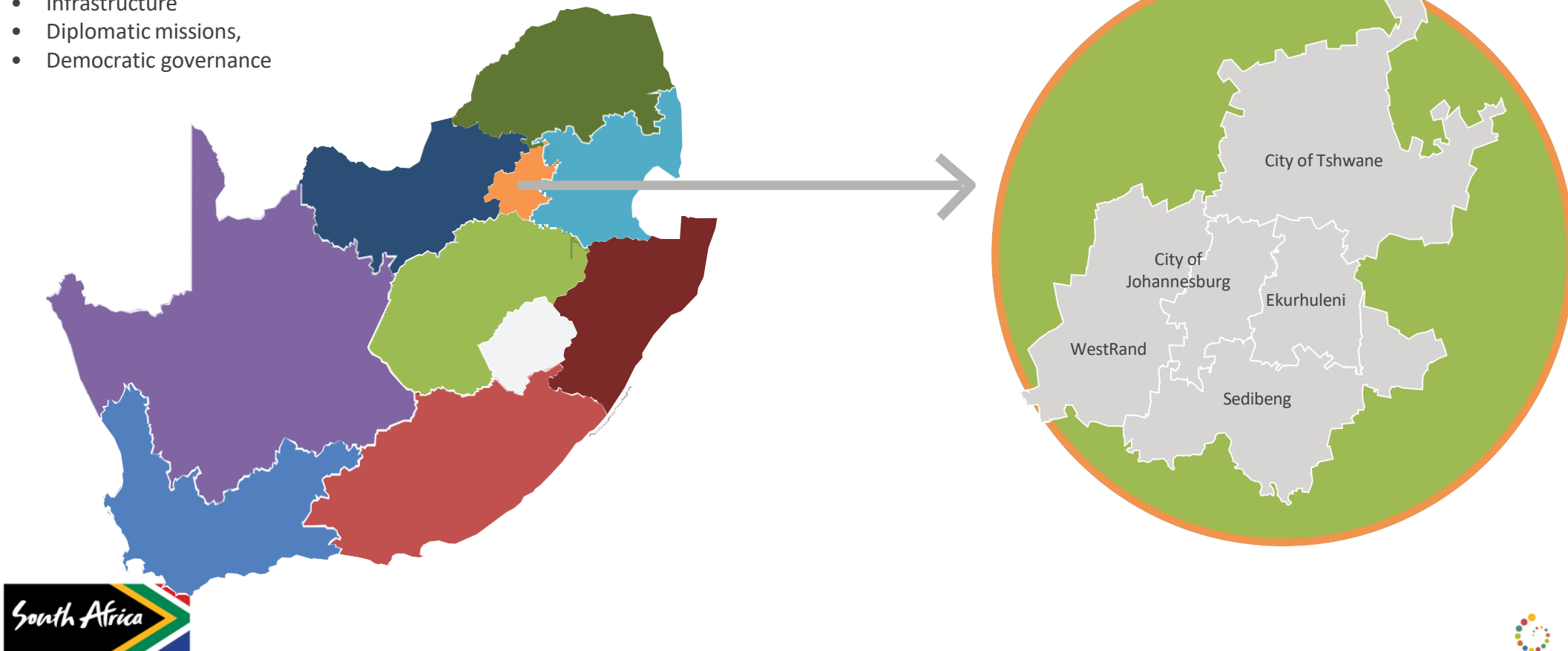
Inspiring new ways



The **Gauteng City-Region** is home to a quarter of South Africa's population and generates **35% of the country's GDP**. The concentration of the national population and growth makes the **Gauteng City Region pivotal to the national agenda** of Transformation, Modernization & Re-Industrialization. The Gauteng City-Region is comprised of three dynamic cities - **the engines of economic activity**

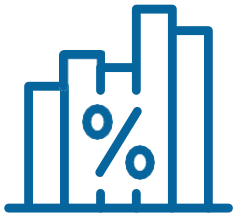
Gateway to Africa and the world with a high number of Global companies

- Diversity of economic sectors
- Leading universities and research institutions,
- Infrastructure
- Diplomatic missions,
- Democratic governance



Inspiring new ways

LARGEST PROVINCIAL ECONOMY IN SOUTH AFRICA



R1	Billion Gross Domestic Product
635	Contribution to the National GDP
35%	Million Population
16.0	Million Total Employment
5.0	Unemployment Rate
32.4%	



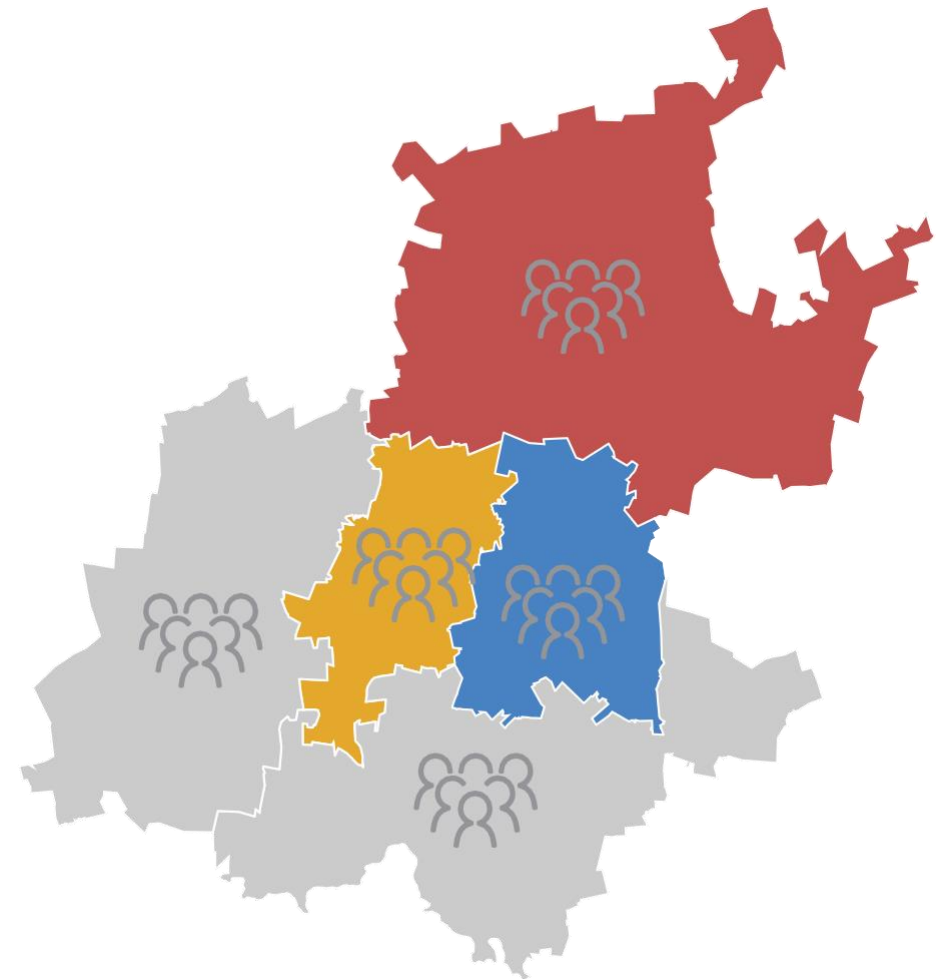
**LARGEST WORKING POPULATION
in South African population**

Functional literacy
90.6%

Gini coefficient
0.64

Human Development Index
0.71

People below the food
poverty line
2 million



Inspiring new ways



Main economic sectors (2022Q4)



Financial Services
20% of GDP



Government Services
15% of GDP



Retail and Wholesale
14% of GDP



Manufacturing sector
12% of GDP

- With a GDP of approximately **US120 billion** the Gauteng city region is the 6th largest stand-alone economy in Africa with an economy roughly the size of Morocco,
- By land mass, Gauteng is the smallest province in South Africa, accounting for only 1.5% of land area. However, the Gauteng city region accounts for 35% of economic output in South Africa, this is equivalent to 7.8% of total GDP in sub-Saharan Africa.
- **In essence, over the last 10 years for every US\$100 of economic output in sub-Saharan Africa US\$23 comes from South Africa and US\$8 was from the Gauteng city region.**
- The Gauteng city region is the financial hub, manufacturing center and the center of government in South Africa. It has the highest density of Embassies in the world outside Washington DC.
- Endowed with the most extensive infrastructure on the continent, the Gauteng city region is the most industrialized economic region in Africa, currently accounting for 41.9% of output in the financial services sector and 39.5% of all manufacturing output in South Africa and the largest retail sector by turn over on the continent
 - **For every R100 of exports out of Gauteng, R80 comes from the Manufacturing sector.**
 - **For every R100 of goods imported into Gauteng R63 are goods going to the manufacturing sector.**
 - **For every 1 Rand of FDI in South Africa, 60 cents is bound for the Gauteng city region**
- **The Gauteng city region is endowed with the largest pool of skilled and semi-skilled workers in South Africa. Additionally, of the 16 million people employed in South Africa, 5 million are employed in the Gauteng city region. For every 100 people employed in South Africa 32 are employed in the Gauteng City Region.**



Inspiring new ways



WHO IS THE GAUTENG GROWTH & DEVELOPMENT AGENCY?

One Team, One Shared Vision

WHO IS THE GAUTENG GROWTH DEVELOPMENT AGENCY

OUR ECOSYSTEM

The GGDA is endowed with subsidiaries that strategically drive growth in identified sectors.

- The AIDC manages the Automotive Supplier Park (ASP) and provides services to the automotive sector and the automotive original equipment manufacturers (OEMs). AIDC provides assistance through automotive investment facilitation, skills development and training, incubation programmes and supply chain development.
- The Innovation Hub is the first Science and Technology Park (STP) by international standards in Southern Africa-established with a view to spurring the development of smart industries (high- technology sectors) in Gauteng, TIH's role in the provincial innovation ecosystem is to be a catalyst for innovation and a key knowledge economy driver, in line with the Gauteng Growth and Development Strategy.
- The core purpose of ConHill is to add to the rejuvenation of the Johannesburg Inner City through the development and promotion of the ConHill Heritage Project.
- Additionally, the Industrial Development Zone (IDZ), a special economic zone set up around the OR Tambo precinct, was established to support industrial development in Gauteng Province with specific focus on mineral beneficiation and export-oriented, value-added industry, concentrated around OR Tambo International Airport, in Ekurhuleni.
- The Vaal SEZ is established to develop a multi-sector, multi-site Special Economic Zone (SEZ) in the Vaal Region (Sedibeng District) with the aim to regenerate the area, support new economic activity, and build on the historic competitive strengths and skills base of the area.

WHY SEZ's

Special economic zones (SEZs) are geographically delimited areas within which governments facilitate industrial activity through fiscal and regulatory incentives and infrastructure support."



Automotive Industry Development Centre
Your partner in becoming globally competitive



THE INNOVATION HUB
Innovation Catalyst for Gauteng City Region
A subsidiary of the Gauteng Growth and Development Agency



CONSTITUTION HILL

OUR CURENT SPECIAL ECONOMIC ZONE's



GAUTENG IDZ
INDUSTRIAL DEVELOPMENT ZONE



vaal
SPECIAL ECONOMIC ZONE

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OPPORTUNITIES

OPPORTUNITY 1: TSHWANE AUTOMOTIVE CITY

The Tshwane Automotive City (TAC) is a shared vision and joint venture of government and the automotive industry to transform Tshwane into a leading automotive investment destination. The TAC concept aims to emulate well-established automotive cities such as Shanghai Automotive City in China, Autostad in Germany and Toyota Automotive City in Japan.

LOGISTICS NODE	COMMERCIAL AND RECREATION NODE	COMMUNITY AND CIVIC NODE	INDUSTRIAL NODE
An advanced logistics and supply chain network in partnership with Transnet	Retail and shopping malls, banks and restaurants	Residences, parks, public environment and links	This will include factories to suit customers' needs

- The TAC aligns strongly with the Automotive Sector Vision 2020 aimed at producing 1.2-million vehicles and deepening the component-manufacturing base through the increase in the target of local content of 70 percent and it will stimulate investment of foreign as well as domestic organisations focused on the automotive sector
- The TAC concept aims to assist the local automotive industry to become globally competitive by increasing locally manufactured parts and components. It also aims to boost Gauteng’s economy by ensuring transformation in the area that will entail housing and retail malls, amongst other facilities. The objectives will be achieved by attracting both foreign and local direct investment into a multi-billion-rand infrastructure programme that will transform Rosslyn and Klerksoord into Africa’s largest automotive industrial park.
- Rosslyn was chosen due to various factors, including the availability of land that can be developed. Rosslyn is the current home of four automotive assemblers; namely BMW SA, Nissan SA/Renault, Iveco and Tata with Ford SA Motor Company only 34 km away in Silverton. The region also houses a multitude of multinational and local automotive component manufacturers in close proximity to the vehicle assemblers

OPPORTUNITIES

- TACC has the following vision:
 - Transform Rosslyn Precinct into an Automotive City (TAC)
 - Long-term strategic infrastructure project aimed at stimulating economic growth of Gauteng's automotive sector
 - Automotive City that will facilitate the agglomeration of supporting and related automotive industries by concentrating investment that caters to the promotion of automotive industry development
 - World's first multi-OEM automotive city
 - Over 52% brownfield (3,653 ha)
 - Over 30% greenfield (2,185 ha)
 - Competitive logistics opportunities (Airport, Pyramid South, K217, K6)
 - Planned Automotive University, R&D and Testing Track Facilities, Automotive City Park, Museum and Conference Centres, Eco-Hotel, Residential and Retail Parks

OPPORTUNITY 2: EXPANSION OF AUTOMOTIVE SUPPLIER PARK EXPANSION PROJECT

The Automotive Supplier Park (ASP) is an industrial park based in Rosslyn in the northern part of Pretoria. The park spans 130 hectares and houses a tenant pool comprising mainly of component manufacturers and suppliers to Original Equipment Manufacturers. The AIDC has developed Phase 1 and 2 of park . Future plans include expansion of the park by developing Phases 3,4 and 5.



Inspiring new ways



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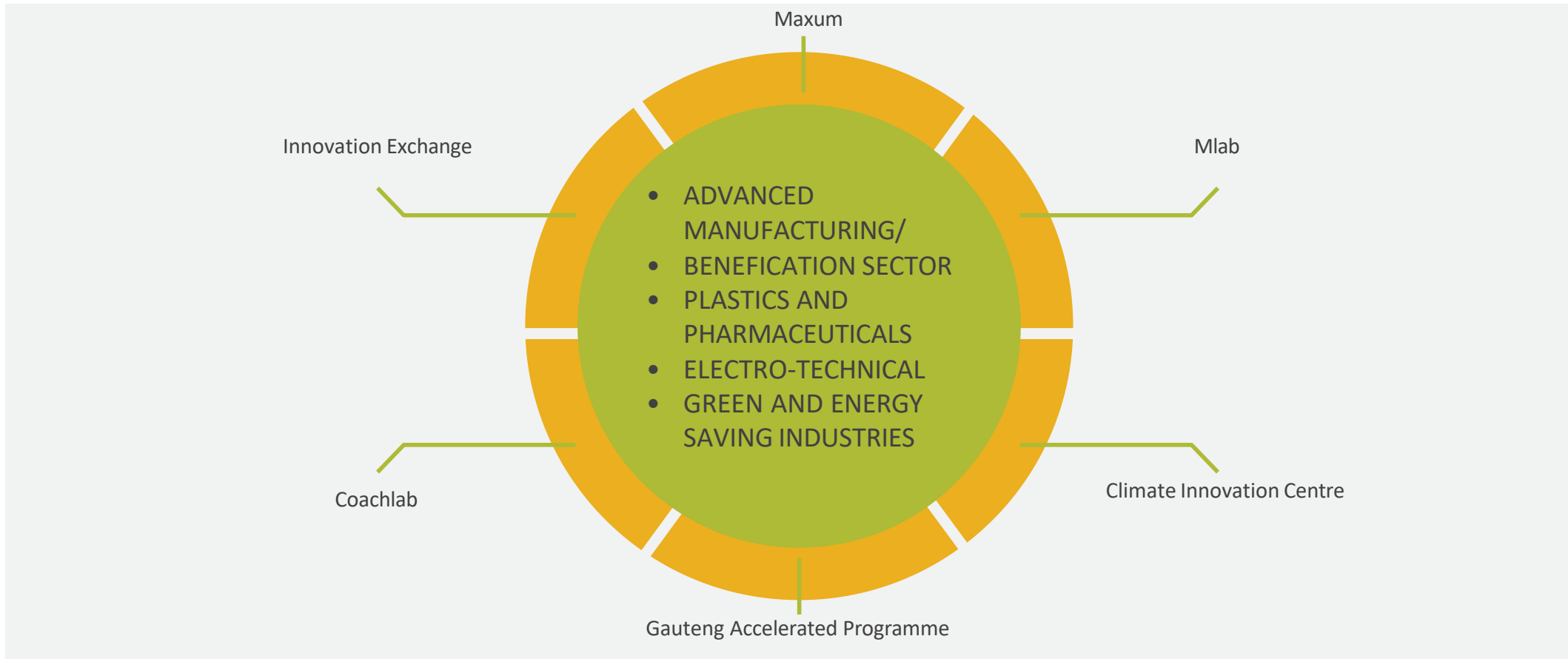
The Innovation Hub, the innovation agency of the Gauteng Province is a wholly owned subsidiary of the **Gauteng Growth and Development Agency**. The Gauteng Provincial Government established it through its Department of Economic Development to promote the economic development and competitiveness of Gauteng through fostering innovation and entrepreneurship.

Recognizing the importance of entrepreneurship to address unemployment and commercialization of innovations, TIHMC's enterprise development activities include a range of focused incubation initiatives across all priority sectors: Maxum (including **Maxum Smart, Maxum Digital, and mLab**), **BioPark, Climate Innovation Centre (CIC) Business Incubator and eKasiLabs Business Incubator** in response to Township Economic Revitalization initiative. In addition, The Innovation Hub operates a range of enterprise development, skills development and innovation-enabling programmes both in the science park and throughout the Gauteng region.



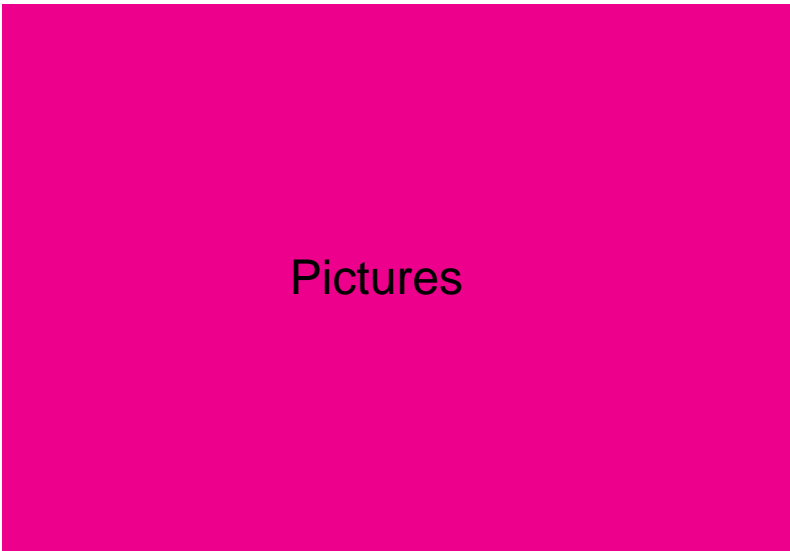
Gauteng Accelerated Programme •





OPPORTUNITIES

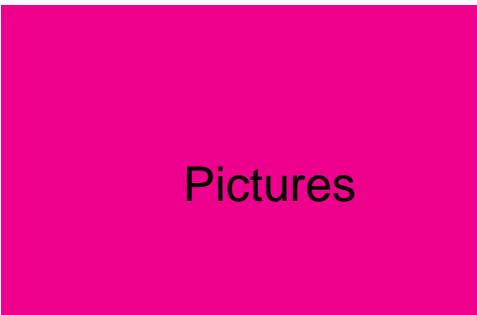
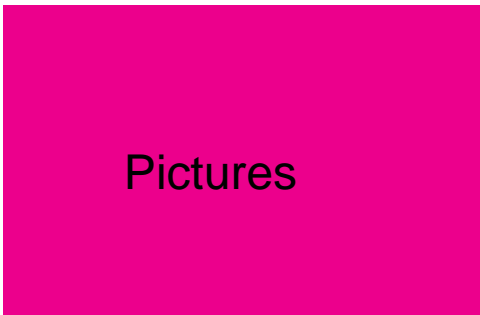
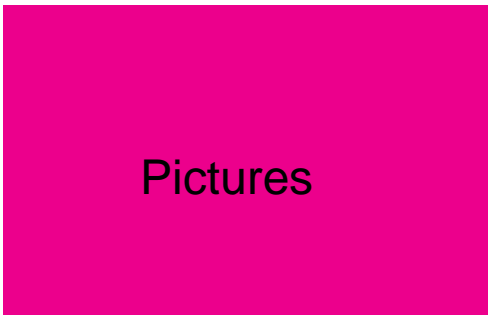
To develop infrastructure, to stimulate development of high-technology business [by housing] high-tech firms and institutions as well as other essential ingredients such as incubators, venture capital funds, that will form the basis for a world class innovation corridor in the province



- Established 2001:GPG/CSIR/University of Pretoria
- Current site: April 2005
- One of GPG strategic infrastructure projects
- ICT initial focus

- 600 00m² site
- 27% development
- Full bulk services in northern site

2011 to date



GGDA Subsidiary



Smart Industries



Green Economy

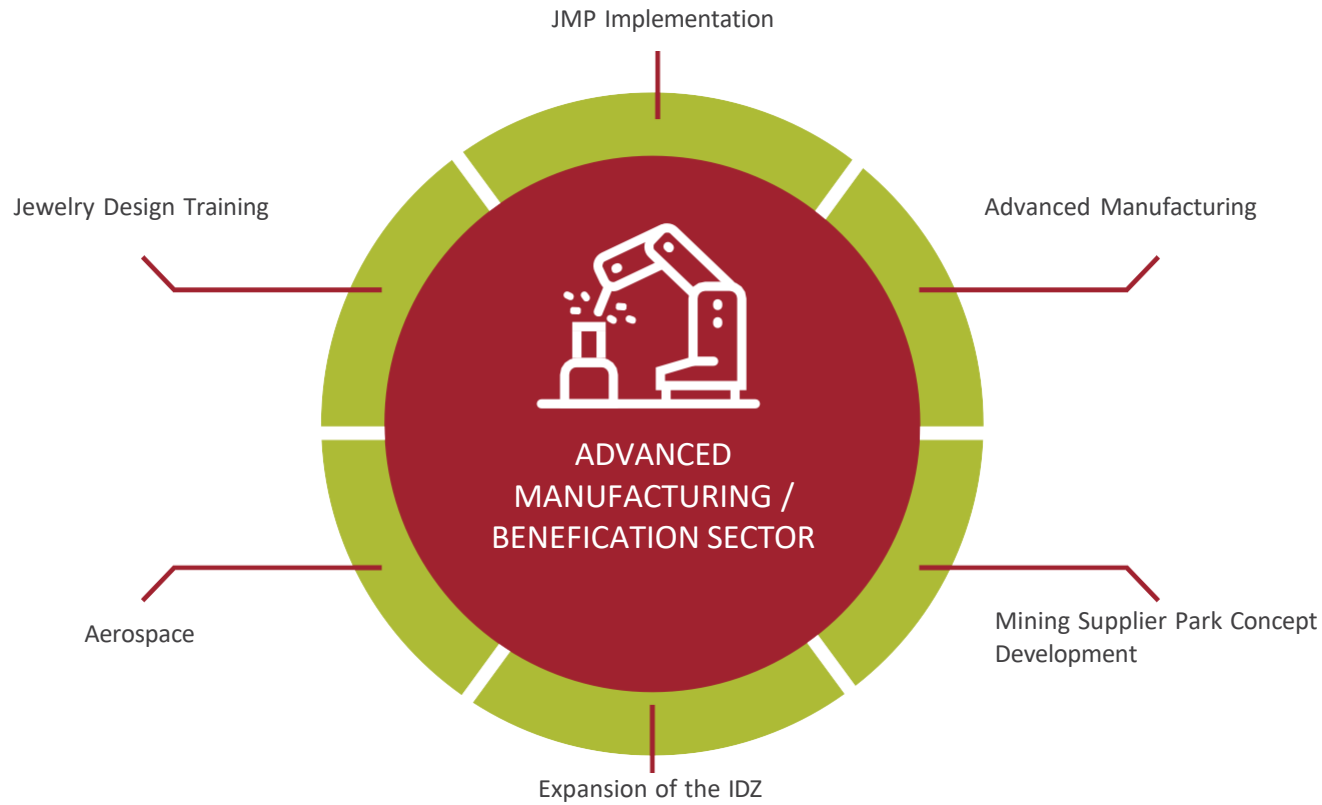


Bio-economy

High Priority Sectors



The Gauteng Industrial Development Zone (GIDZ) was established to support industrial development in Gauteng Province with specific focus on export- oriented, value-added industry, concentrated around OR Tambo International Airport, in Ekurhuleni Metro. The value proposition of OR Tambo is centered around OR Tambo International, Africa’s largest airport with the capacity to handle 400 000 tonnes of cargo and over 25 regional and international flights on a daily basis.

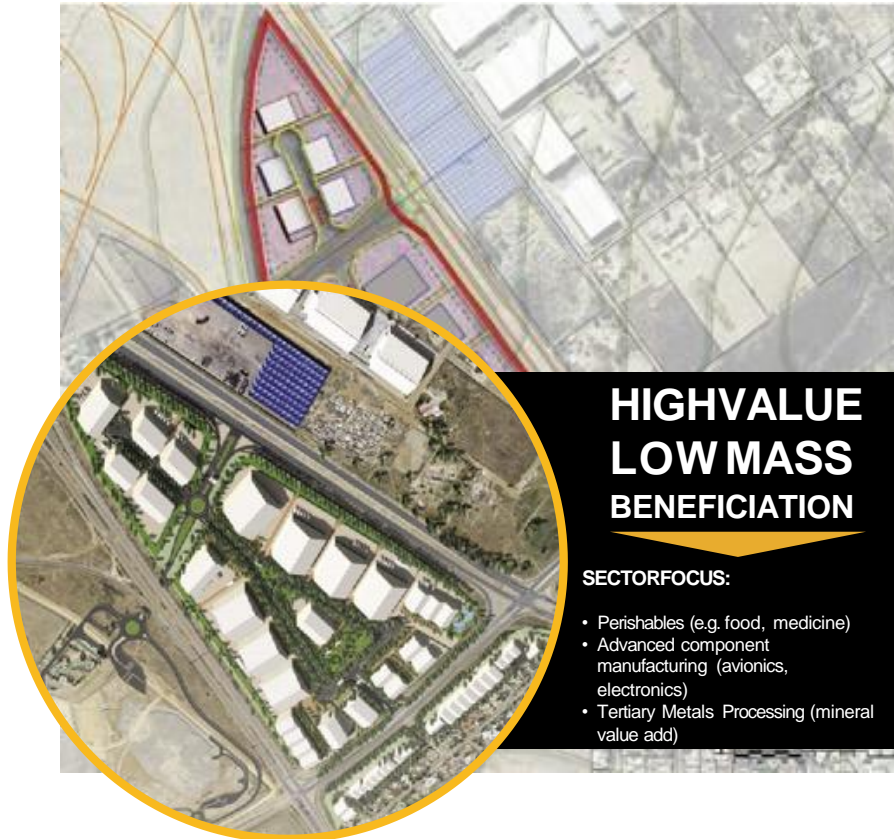


THE OR TAMBO SEZ VALUE PROPOSITION

- a. Located on the doorstep of OR Tambo International Airport, South Africa’s flagship Airport, with the capacity to handle 35m passengers;
- b. At the centre of Africa’s first real Aerotropolis;
- c. In the heart of South Africa’s industrial hub where 8% of the country’s GDP is from; and
- d. Easily accessed via rail transit (the Gau-Train, Africa’s first high speed train connects the Zone to Sandton, Africa’s financial district) and an extensive road network.

AVAILABLE FOR MARKET UPTAKE

ORTIA PRECINCT PHASE 2



**HIGHVALUE
LOW MASS
BENEFICIATION**

SECTORFOCUS:

- Perishables (e.g. food, medicine)
- Advanced component manufacturing (avionics, electronics)
- Tertiary Metals Processing (mineral value add)

SPRINGS PRECINCT



**HIGHVALUE
LOW MASS
BENEFICIATION**

SECTORFOCUS:

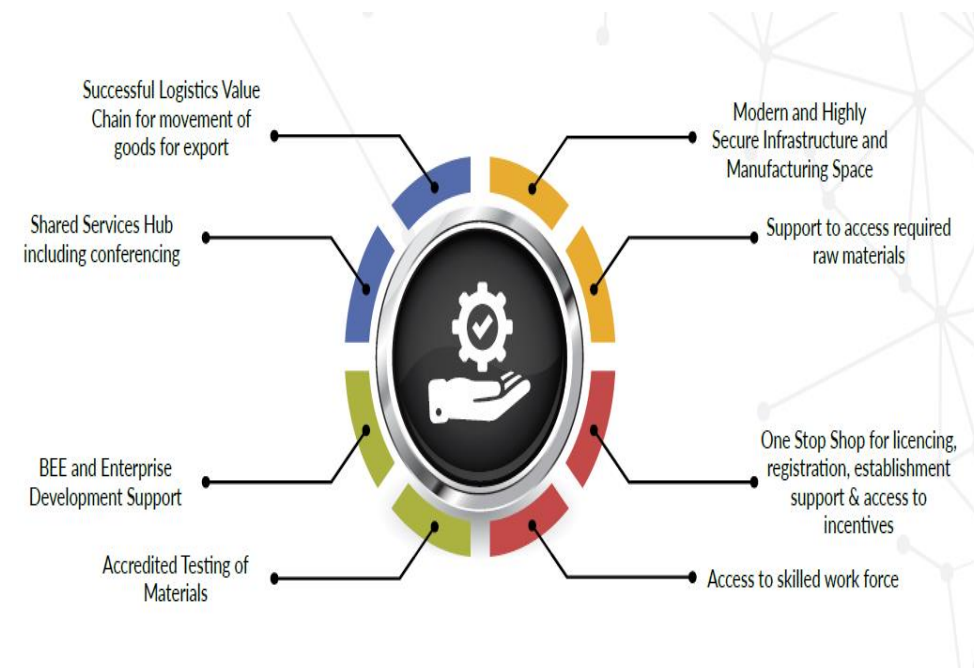
- Mineral beneficiation;
- PGM Value Addition;
- Additive Manufacturing;
- Fuel Cells Localization; and
- Capital Equipment.

THE OR TAMBO SPECIAL ECONOMIC ZONE

The OR Tambo SEZ's value proposition is centred around its competitive location at or in proximity to OR Tambo International Airport facilitating ease of access to the global and African Market

It also includes the following :

- Supporting concomitant supply and value chain relationships located in Ekurhuleni;
- Incentives including employment tax incentive, VAT exemption and duty-free importation of production related material and assets
- Serviced land
- Supplier development support
- One-stop shop arrangements facilitating a single point of contact for investor establishment & retention issues



Proposed Clusters



Medical Cluster Proposal / Concept

Sub-assembly plant

Labelling and Packaging

Logistics, Warehousing and cold storage

Sterilisation Facility, Regulatory, Testing and Labs e.g. SABS

Administration

Plant heating and cooling, Water purification & steam

R& D and Innovation



Agro-Processing and Agri-Tech Cluster

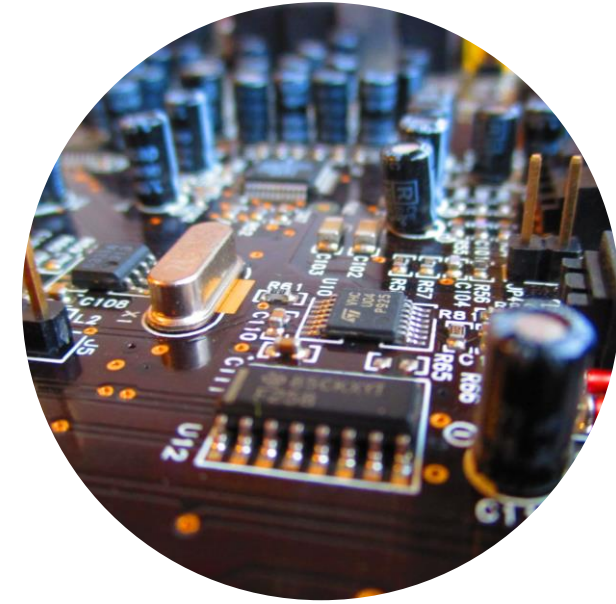
Food Factory

Cannabis Cluster

Supplier Development

Value Chain Providers

Innovation Centre



Component & Metals Manufacturing Cluster

Avionics

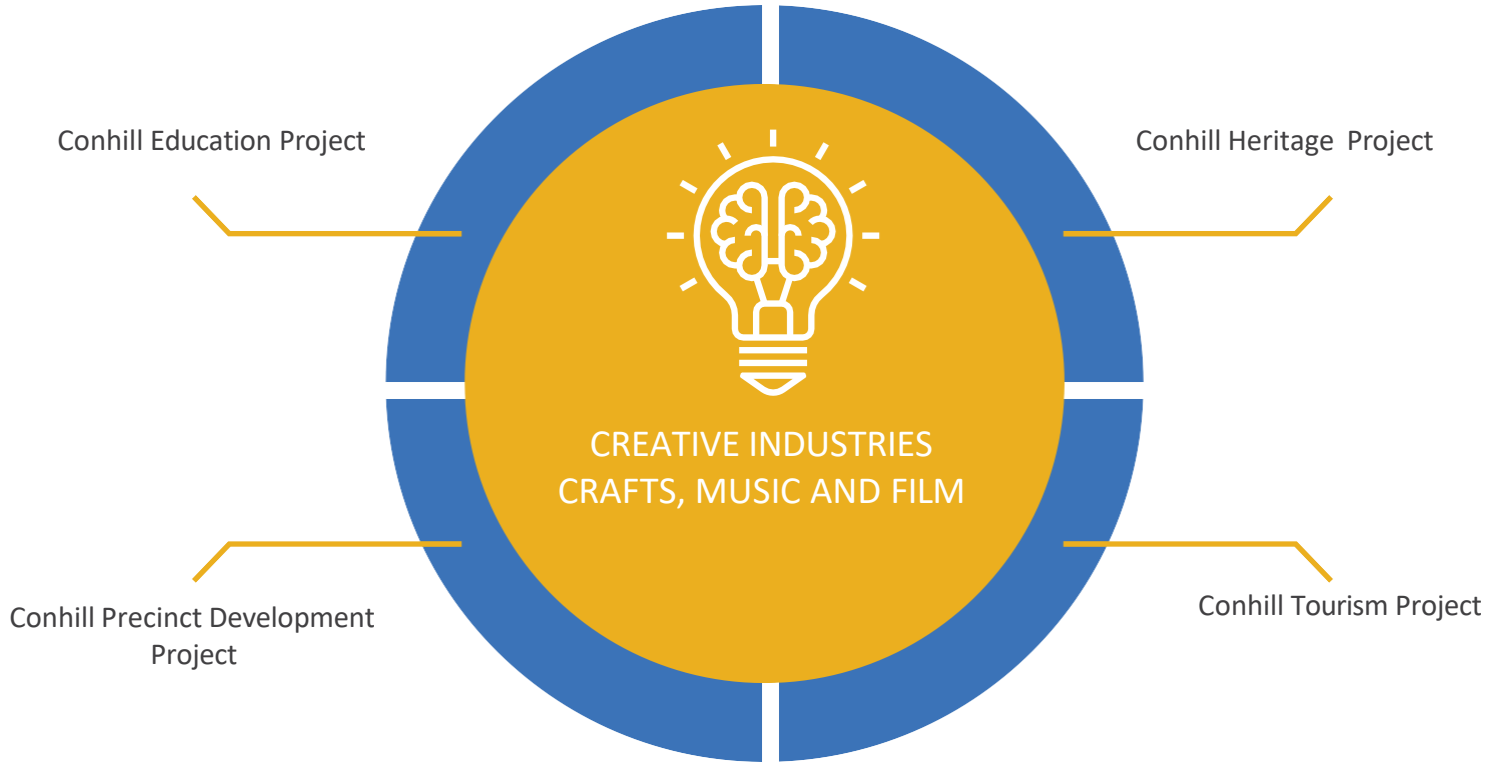
Electronics

3D Printing

Metals Fabrication

Innovation Centre

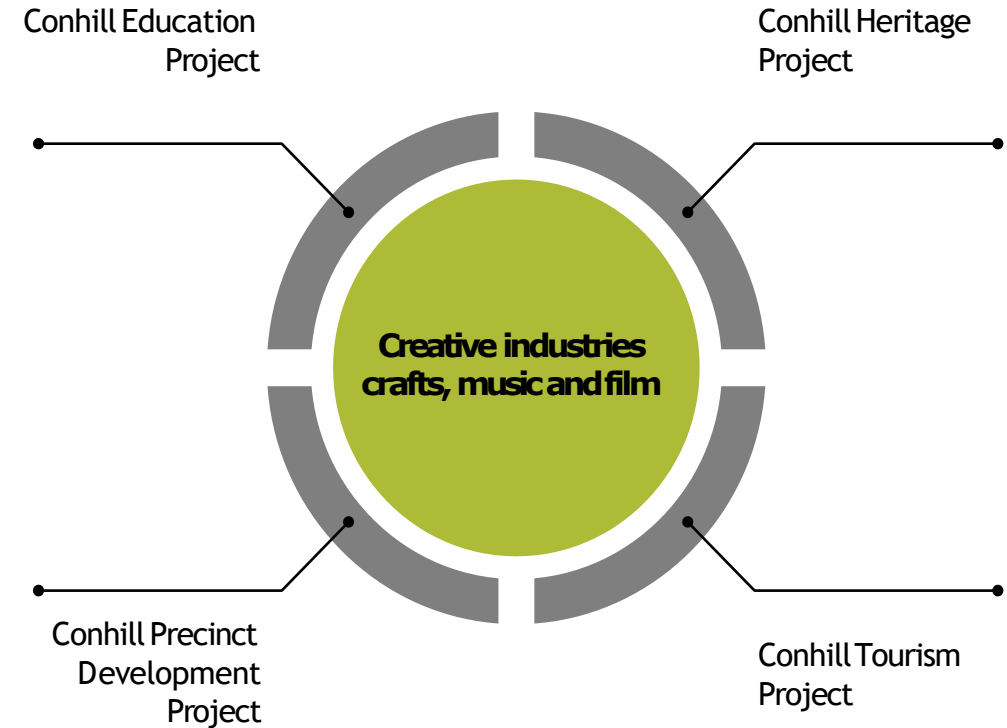
- Constitution Hill, a subsidiary of Gauteng Growth and Development Agency (GGDA), a heritage site and home to the Constitutional Court of South Africa.
- This iconic site, situated in the Johannesburg CBD, includes the Old Fort Prison Complex where South Africa’s leading political activists, such a Nelson Mandela and Fatima Meer were detained.
- The multi-million-rand regeneration development project was funded by the Gauteng Provincial Government, and the City of Johannesburg, the Department of Justice and Constitutional Development and philanthropic organisations.
- The core purpose of ConHill is to add to the rejuvenation of the Johannesburg Inner City through the development and promotion of the ConHill Heritage Project.
- Urban regeneration as a multi – media, mixed – use heritage precinct, one of Constitution Hill’s fundamental mission is engage with its environment and contribute to the Gauteng City Region and the Johannesburg inner city regeneration in particular.



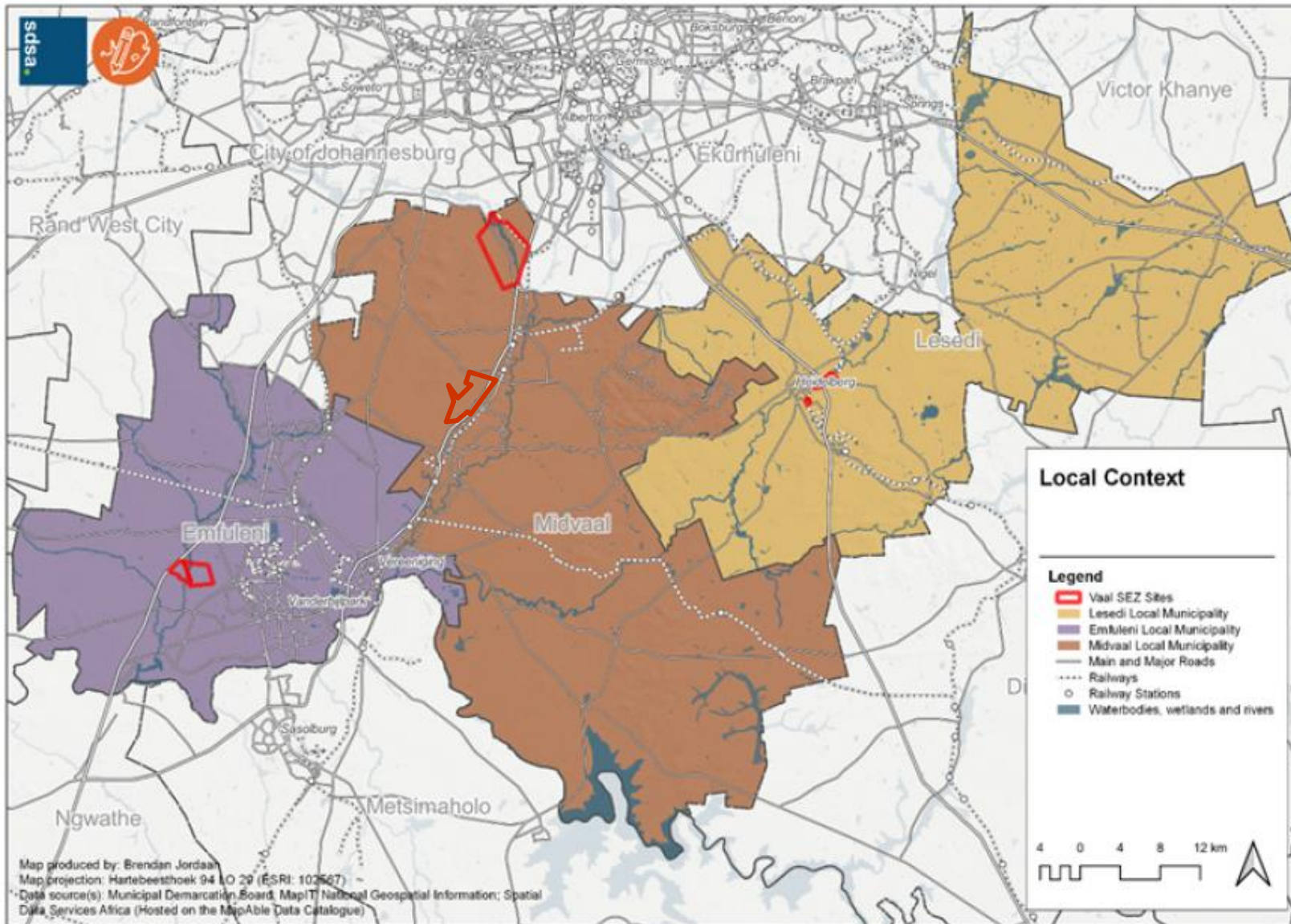
Inspiring new ways



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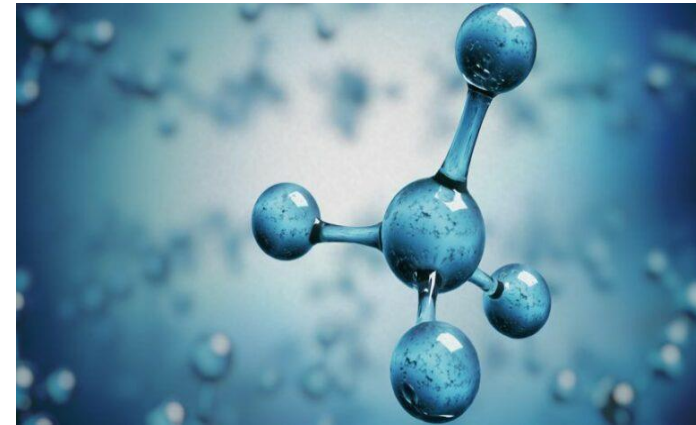


Vaal SEZ site locations



- The Vaal SEZ's objective is to develop a **multi-sector, multi-site Special Economic Zone (SEZ)** in the Southern Corridor of Gauteng in the Vaal Region (Sedibeng District)
- Regenerate the area, support new economic activity, and **build on the historic competitive strengths and skills base of the area**
- Build a socially cohesive society, with sustained economic growth that results in the creation and retention of **quality jobs**

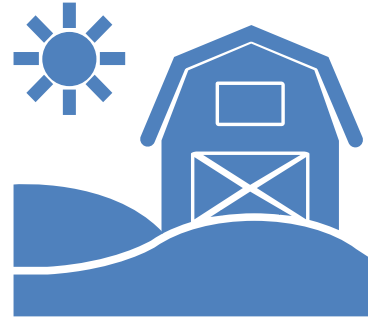
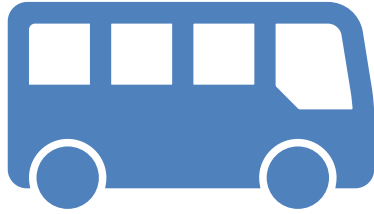
- End-to-end **hydrogen value chain** investment opportunities
- Localisation of the manufacturing of **renewable energy components**
- **Agrivoltaics**
- **Microgrid Systems**
- **New Energy Vehicles**
- **Battery Energy Storage Systems**
- **Blue Economy**
- **Agro-processing (including medical cannabis)**
- **Aviation**
- **Defence**
- **Logistics**



Inspiring new ways



- The West Rand population is estimated to be 966 656 in 2021 and is home to 6% of the Gauteng population.
- The population growth rate is 1.3% annually.
- The primary pillar of the West Rand Economy is Mining
- Mining currently accounts for 30% of all economic activity
- The primary sector has been declining at an average of 5% annually
- Mining is a sunset sector and there is a need for a diversified sustainable post-mining economy
- In the context of declining mining output, the Gauteng Provincial Government intends to establish a multi-sectoral and multi-site West Rand SEZ to diversify the economy of West Rand.



Bus manufacturing, including components

Solar farm

Agro-processing

Hemp/Cannabis processing

Green hydrogen

Biogas (linking to agro-processing waste)

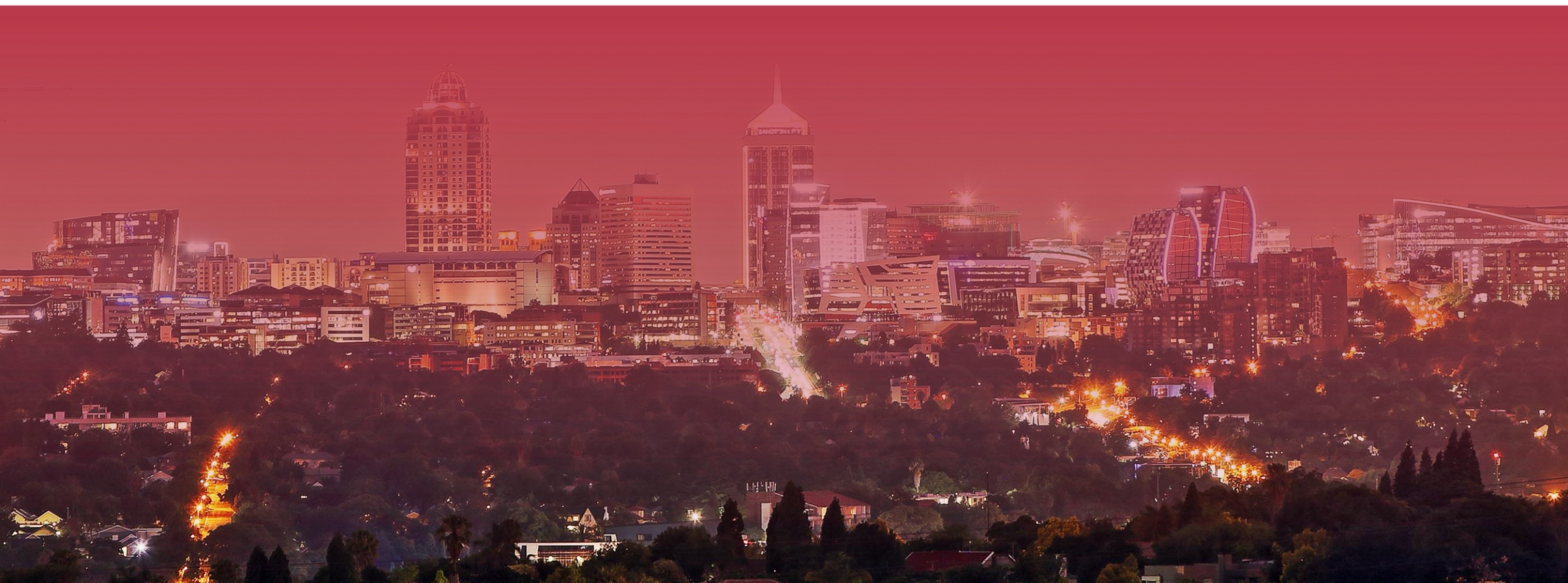
Large scale agricultural and dairy farming

Light bulb manufacturing



South Africa

Inspiring new ways



One Team, One Shared Vision





One Team, One Shared Vision