

Investing In Ekurhuleni

Ekurhuleni Metro Municipality Industrial Land Brochure Region C



Ekurhuleni
METROPOLITAN MUNICIPALITY

Specialist Projects Division

Facilitating strategic development and investment for the City Planning Department.

INTRODUCTION

Welcome to our dynamic Metro.

The Ekurhuleni Metro Municipality's (EMM) nine towns are home to 3.1 million people, spread across six regions: A, B, C, D, E and F. Together the EMM's regions form part of the industrial heartland of South Africa, where more than 8 000 industries are represented.

The EMM accounts for a significant share of South Africa's overall international trade. While manufacturing and distribution of goods is key to the local economy, growth has also been evident in areas such as the services sector and transport as well as downstream chemicals and plastic products.

The EMM has experienced positive economic growth, at an annual rate of 3.7% from 1996 – 2011 (3.2% higher than national average); a result of the strengthening of the manufacturing sector and other tertiary sectors (trade, transport and communication services and social & government services).

In the words of Executive Mayor Mondli Gungubele, "The Ekurhuleni Metro Municipality is laying the foundations for a Delivering City, that is cohesive, pro-active, fast, modern, simple, equitable and risk managed with an investing focus." (State of the City Address, 25 March 2015)

The EMM has four Key Economic Pillars



Manufacturing (27.6%)



Finance and Business Services (21.5%)



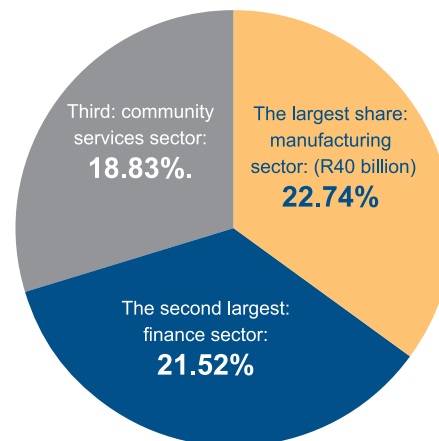
Wholesale & Retail Trade;
Catering & Accommodation (14.7%)



General Government (13.8%)

(Figures supplied by: The Metropolitan Spatial Development Framework (MSDF) 2015)

Contribution to the EMM's GVA per sector (2012 figures).



UNLOCKING LAND = UNLOCKING INVESTMENT

The EMM has resolved to expedite the process to unlock strategic land parcels (SLPs). We have identified vacant industrial land parcels across regions A, B, C, D, E and F.

This investment incentive is in line with our Growth and Development Strategy (GDS) 2055, with Spatial Development Frameworks (SDFs): to drive economic expansion, build more competitive and unified cities, provide citizens with equitable access to opportunities and accelerate the regeneration of our inner cities and townships.

THIS BROCHURE FOCUSES ON LAND IN REGION C

BUT FIRST: SOME EKURHULENI FACTS AND FIGURES AT A GLANCE



- The Metro's GDP is approximately R254 billion (2015)

8%

- It contributes 8% to the country's economy.

25%

- It contributes 25% to the economy of Gauteng.

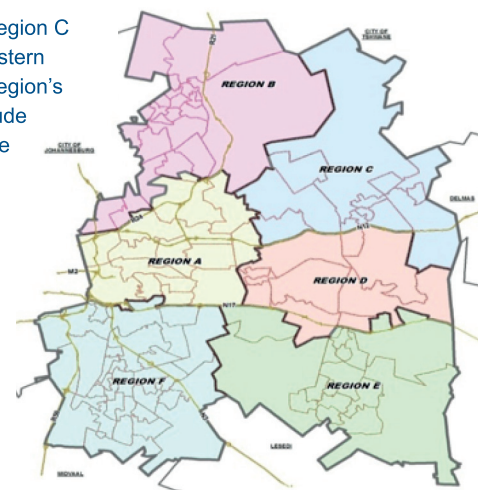


- The Gross Value Add (GVA) grew at an average of 10,1% per annum between 2001 and 2013.

PRESENTING REGION C

Region C comprises the Bapsfontein agricultural area, forming part of the Kungwini Agricultural Hub, the largest agricultural hub within the EMM. It is situated in north-eastern EMM. It is bounded by Regions A and B to the west; Region D to the south; Bronkhorstspuit agricultural holdings and the western border of Mpumalanga to the east; and Tierpoort (Tshwane) to the north.

The built-up zones of Region C are mainly in a south-eastern strip of the region. The region's main access routes include the N12 highway, and the R50, R51 and R25 regional routes.



Region C's location within the Six Regions.

THE REGION C REGIONAL SPATIAL DEVELOPMENT FRAMEWORK (RSDF):

Opportunities

- The manufacturing sector is the second largest contributor to the region's economy.
- The opportunities for industrial development are complemented by agricultural development; a distinct regional advatage. These include:
 - Processing facilities (as in Ceres/Western Cape) to beneficiate products, eg: freeze-dried vegetables, canned fruit, juices and chill fruit and flowers for export by air.
 - Duck and geese production (and associated products) with a high demand both locally and internationally.
- The region offers high land reform potential for cooperative farming with access to processing facilities within share equity schemes with existing farmers.
- Housing development in much of this region is inevitable over the longer term.
- Proximity to O.R. Tambo International Airport (ORTIA) for air freight and the N3 highway for sea shipping is advantageous.
- Proximity to markets on the Reef and Vereeniging is advantageous.
- The current shortage of major retail, business or commercial nodes in this region suggests opportunity for the development of these sectors.

Economic Indicators

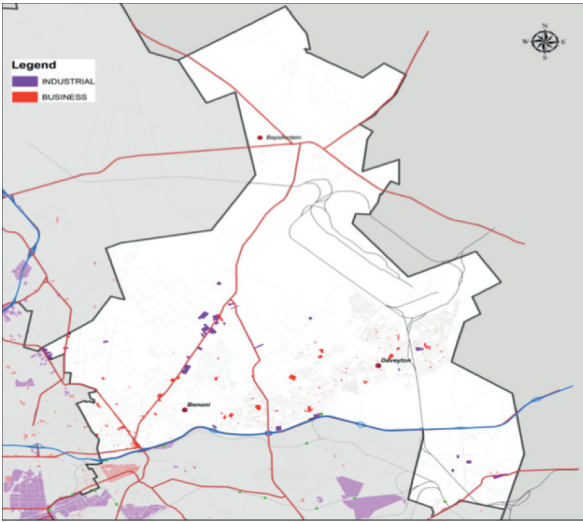
Region C economic indicators	Number/ percentage
GDP (2012)	R 8.53 billion
Contribution to the GDP of EMM (2012)	4.21%
Annual GDP growth rate	3.79%
Contributors to the economy (2012)	Community services – 24.01% Finance – 17.50% Manufacturing – 17.08% Agriculture – 1.28%

Challenges

- While the area is characterised by vast open spaces, consisting of environmentally sensitive areas and agricultural land, the agriculture sector currently contributes the least to the region's economic growth.
- There are significant opportunities for future growth and develop ment of this sector.
- The transport network does not fully service the region and requires attention.

Industrial location and development in Region C

Industrial development is located in Sentrarend (a railroad yard and proposed industrial hub) in the eastern part of the region.



IDENTIFIED INDUSTRIAL LAND, AND USES, AVAILABLE IN REGION C

There are 13 (both privately and publicly owned) vacant stands that are proposed for industrial use in Region C, all located in Daveyton.

Please note: This brochure only covers those stands already zoned industrial. It excludes stands (including residential and open spaces) earmarked for industrial purpose.

Sites in Daveyton

TOWNSHIP	NO.OF SITES	PRIVATE	GOV/EMM
Daveyton x 5	13	2	11
Total	13	2	11

INDUSTRIAL LAND ZONING AND USES IN REGION C

Industrial land in Daveyton is zoned for Industrial 1 and Industrial 2 usage. This includes offices; showrooms, motor dealers, scrapyards, waste disposal, places of entertainment, among others.

The table below lists usage in detail (Source: Ekurhuleni Town Planning Scheme, 2014)

Land Use Category	Primary Rights:	Special Consent use
Industrial 1	Industries, offices, commercial purposes, show-rooms, motor dealers, panel beaters, builder's yards, service industries, fitment centres, motor work-shops, light industries, auctioneers	Noxious industries, places of entertainment, waste disposal sites, brick making, filling stations, special uses
Industrial 2	Commercial purposes, offices, showrooms, motor dealers, builder's yards, service industries , auctioneers	Panel beaters, filling stations, motor workshops, car wash, light industries, fitment centres, restaurants, scrap yards, places of entertain-ment, special uses

Please refer to the back of the brochure for some of the industrial land located in Region C

FIVE GOOD REASONS TO INVEST IN EKURHULENI

‘Africa’s workshop’

Often referred to as ‘Africa’s workshop’ Ekurhuleni’s economy is underpinned by manufacturing, which remains the key sector for economic expansion.

The country’s transportation hub

Ekurhuleni is home to OR Tambo International Airport (ORTIA), connecting it to Asia, Europe, the Middle East, South America and parts of the US. ORTIA is Africa’s second largest airport, after the Cairo International Airport. Ekurhuleni’s Germiston rail hub links it to South Africa and Africa via KwaZulu-Natal’s Port of Durban, and Mozambique’s Maputo corridor. Interconnectivity is further enhanced by Ekurhuleni’s freeways (the N3, R23, R24 and R21).

Economic growth

The EMM has experienced positive economic growth over the past 15 years with an average annual growth rate of 3.7% (for the period 1996 to 2011). This is higher than the national growth rate of 3.2% over the corresponding period.

Investment incentives

In addition to the identification of over 107 investment projects across Ekurhuleni through a process of strategic prioritisation, 21 catalytic and eight strategic projects have been identified for implementation and investment over the next five years. To expedite investment opportunities, Council has approved a 40% Rebate Facility on Bulk Contributions for Roads, formerly a major stumbling block for strategic developments and city investments. This is but one intervention of a bouquet of investment attraction incentives.

Flagship projects

The EMM has launched a number of flagship projects, including the Aerotropolis which will establish the Metro has Africa’s first airport city; the Integrated Rapid Public Transport Network (IRPTN) merging the City’s nine distinct towns into one Metropolitan Municipality; the Lakes and Dams Upgrade, crucial to South Africa’s water security and placing Ekurhuleni on the international sports tourism map. The City is also a host to the PRASA-GIBELA megaproject.

To ensure that the EMM is able to absorb the increasing labour force an increase of 4.4% is required in the average annual economic growth of 3.7%, thus resulting in an 8.1% average annual economic growth rate.

To achieve the average annual economic growth rate of 8.1% an investment in hard-core infrastructure, such as new roads, electricity capacity and water and sanitation capacity is required.

Based on South Africa best practices: for every 1% increase in investment a 0.19% increase in economic growth can be generated. Based on this principle - for the EMM to sustain an average annual economic growth of 8.1 % an increase of 23% in hard-core infrastructure investment is required.

Contacts

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Sources

Metropolitan Spatial Development Framework for Region C (MSDF 2015)
Regional Spatial Development Framework for Region C (RSDF 2014)
Ekurhuleni Town Planning Scheme 2015

SOME OF THE INDUSTRIAL LAND LOCATED IN REGION C

OWNERGROUP	TOWNSHIP	PROP DESC	TOWN	Size m2
EMM	DAVEYTON X5	30193	BENONI	646
EMM	DAVEYTON X5	30194	BENONI	637
EMM	DAVEYTON X5	30195	BENONI	1 014
EMM	DAVEYTON X5	30196	BENONI	923
EMM	DAVEYTON X5	30197	BENONI	725
EMM	DAVEYTON X5	30198	BENONI	629
EMM	DAVEYTON X5	30199	BENONI	641
EMM	DAVEYTON X5	30204	BENONI	658
EMM	DAVEYTON X5	30205	BENONI	668
EMM	DAVEYTON X5	30206	BENONI	668
EMM	DAVEYTON X5	30207	BENONI	1 046
PRV	DAVEYTON X5	30211	BENONI	653
PRV	DAVEYTON X5	30212	BENONI	655