TRANSFORMATION, MODERNISATION AND REINDUSTRIALISATION OF THE GAUTENG CITY-REGION: 2015-2030

30 JANUARY 2015
INTRODUCTION

• I would like to thank you for joining us to share our vision of the Gauteng City Region for the next fifteen years in line with the NDP, Vision 2030. Let me start by thanking Ms Newton-King, the CEO of the JSE, for agreeing to partner with us in growing and developing the economy of the Gauteng City Region.

• I have brought with me Team Gauteng City Region, Members of the Executive Council and Mayors of the Cities that constitutes the Gauteng City Region; City of Joburg, Ekurhuleni Metro, City of Tshwane, Sedibeng and the West Rand District Municipalities and senior officials in government.

• The year 2015, precedes the local government elections. I have brought our Mayors because they run and manage our cities and many of you have issues to raise with them, this is the day.
UNDERSTANDING GAUTENG AS A CITY REGION: PAST, PRESENT AND FUTURE

OUR VISION:
Building Gauteng into a seamless, integrated, socially cohesive, economically inclusive region, underpinned by smart industries and sustainable development.
UNDERSTANDING THE GAUTENG CITY-REGION

• Gauteng has evolved into an industrial hub, financial nerve centre and technological heartbeat of our country, owing to the impact of the mining revolution on SA’s path to industrialisation.

• Today our province contributes more than 34% to our country’s GDP and contributes 42% of SA’s industrial output. The size of the Gauteng economy is 1.07 Trillion.

• We also contribute more than 10% to Africa’s GDP.
UNDERSTANDING THE GAUTENG CITY-REGION

• The Gauteng Province by land is 1.4%, yet it remains the economic engine of the country.
• The development of what became Gauteng province in 1994 bears unique industrial and economic features – an urban conurbation and clustering of cities and towns. This is what makes Gauteng a City Region, like the City states such as Singapore.
UNDERSTANDING THE GAUTENG CITY-REGION

• The cluster of cities and towns that make up the GCR are:
  – City of Joburg: the Financial Hub of the GCR – evolved from mining into Financial Hub of the City Region; including ICT, Pharmaceutical, Retail and Services.
UNDERSTANDING THE GAUTENG CITY-REGION

– City of Tshwane: Administrative Capital has become a key driver of knowledge, innovation and automotive industry development – link to Rustenburg and Waterberg (new giants linked to platinum and coal mining).

– West Rand District: was a powerful mining region extending to Klerksdorp and Potchefstroom that has undergone significant de-industrialisation due to the decline of the mining industry. New economy - agribusiness/agroprocessing and green and blue economy will be the future. Consolidation of municipalities into a single metro – part of Agritropolis.

– Sedibeng District Municipality: steel industry and associated manufacturing and energy drove the economy. De-industrialisation due to decline of steel. New economy to be anchored on steel, Vaal river, tourism, agriculture linked to Sasolburg – Vaal River City and part of Agritropolis
Together, Moving Gauteng City Region Forward

GAUTENG CITY REGION PLAN 2030
TMR AND THE TEN PILLAR PROGRAMME

The Imperatives of the Fifth Administration (Ten Pillar Programme):

- Radical economic transformation
- Decisive spatial transformation
- Accelerating social transformation
- Transformation of the State and governance
- Modernisation of the economy
- Modernisation of the public service
- Modernisation of human settlements and urban development
- Modernisation of public transport infrastructure
- Re-industrialise Gauteng
- Lead in Africa’s new industrial revolution
TRANSFORMATION, MODERNISATION AND REINDUSTRIALISATION OF THE GAUTENG CITY-REGION: 2015-2030
FUNDING THE GAME CHANGERS FOR THE GAUTENG CITY REGION
WHY THE GAME CHANGERS

• Aimed at promoting development throughout the GCR
• Catalytic in nature with ripple effect and have potential to take the GCR to a higher trajectory of economic growth and development
• Have a major infrastructure component in the project content.
• Support radical spatial, social and economic transformation
• Be based on multi-year inter-governmental and inter-departmental collaboration and cooperation and in partnership with the private sector
• Promote and support economic development and job creation
• Lead to improved service delivery, entrenching of good governance, deepening of democracy and strengthening partnerships
• Because of the fiscal limitations, we are developing innovative approaches to funding the Game Changers and this includes crowding private investment
**REVITALISATION OF TOWNSHIP ECONOMIES**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>COMPONENTS</th>
<th>STATUS</th>
</tr>
</thead>
</table>
| We have adopted a Township Economy Strategy with a detailed action plan. Our aim is to Transform townships into vibrant economic centres of opportunity and job creation | • Clothing and Textile Hub  
• Furniture Hub  
• Steel Fabrication Hub  
• Confectionery Hub | • R160 mil allocated funding to respond to the challenges faced by township SMMEs, cooperatives and entrepreneurs.  
• Working with the JSE to establish a township bond.  
• Leveraging private sector investment (creating linkages and mentorship opportunities i.e. Waterfall City to host an Incubation Hub) |
**AEROTROPOLIS**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>COMPONENTS</th>
<th>STATUS</th>
</tr>
</thead>
</table>
| This is an important GCR Project aimed at leverage the potential the three big airports in the GCR as economic engines for sustainable growth and job creation (to be anchored along ORTIA, Lanseria and Wonderboom Airports) | • Expansion of ORTIA  
• Gauteng IDZ (SEZ)  
• Jewellery Park  
• Science Park  
• ICT Connectivity  
• Upgrading of road, rail, electricity & water and  
• Manufacturing and beneficiation | • We are setting up a provincial Aerotropolis Agency, drive at the provincial level, which will look at the institutional and financing of the entire project. Committee |
**GAUTRAIN EXPANSION AND EXTENSION**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>COMPONENTS</th>
<th>STATUS</th>
</tr>
</thead>
</table>
| To increase accessibility and improve mobility by expanding and extending   | • ORTIA platform extension  
• Additional rolling stock  
• System operational optimisation  
• To extend the network by 200km to ensure it covers the North Eastern and South Western regions including Lanseria & Ruimsig | • Feasibility studies for extensions underway  
• Extension of existing parking facilities also identified as priority to address capacity constraints  
• Plans to improve linkages with other public transport modes like the BRTs |

17
## ENERGY MIX AND GAUTENG GREEN AGENDA

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>COMPONENTS</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>To respond to the energy generation and distribution in the GCR. Gauteng Energy Steering Committee has been established, to work towards establishing a GCR energy mix mechanism, work with independent power producers, to generate and distribute energy, including outside of the grid.</td>
<td>- Waste to energy projects (CoJ, West Rand &amp; Sedibeng)</td>
<td>- Feasibility studies in this regard have been done; Sedibeng and West Rand on Waster-to-Energy</td>
</tr>
<tr>
<td></td>
<td>- Tri-generation, gas &amp; roof-top solar projects</td>
<td>- We will invite all independent power generators to help us with solutions in this regard.</td>
</tr>
<tr>
<td></td>
<td>- Energy efficiency interventions taking place at GPG buildings including an ongoing Energy Audit</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- The rolling out of Solar Water Heaters across the GCR</td>
<td></td>
</tr>
</tbody>
</table>
## ICT AND BROADBAND CONNECTIVITY FOR THE GCR

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>COMPONENTS</th>
<th>STATUS</th>
</tr>
</thead>
</table>
| To establish a hi-speed capacity network across Province in support of effective governance, service delivery and economic growth | • Broadband Networks (GBN, Sedibeng, CoJ, Tshwane)  
• Smart classrooms  
• Electronic Health Information System  
• Biometrics for housing beneficiaries  
• Gauteng Ntirhisano Service Delivery War Room | Installation of Core Network continuing with 5 of 6 core network sites connected  
Secondary access network aims to link 137 additional sites |
<p>| To encourage growth in ICT sector through services &amp; infrastructure | • We are working towards establishing Nasrec as the GCR ICT SEZ | Pre-feasibility study concluded and being assessed, and are working with DTI and Telecommunications to finalise the decision of establishing a fully fledged SEZ |</p>
<table>
<thead>
<tr>
<th>STRATEGIC PROJECT</th>
<th>DESCRIPTION</th>
<th>COMPONENTS</th>
<th>STATUS</th>
</tr>
</thead>
</table>
| METROPOLITAN BRT SYSTEMS | To increase accessibility by completing metro systems with potential extensions | • Rea Vaya (CoJ) Running  
• A Re Yeng (CoT) (2014)  
• Ekurhuleni BRT (2016)  
• Extension to West Rand & Sedibeng | Implementation in 3 metros. Extensions require feasibility studies  
Interventions being planned to increase connectivity across the three metros and extension to the West Rand and Sedibeng |
| METRORAIL UPGRADE       | To implement 25 year ITMP specifically moving passenger transport from road to rail | • Moloto Corridor (CoT)  
• Mabopane-Pretoria link (CoT)  
• Branch-line improvement programme | Assembly site for new rolling stock confirmed in Nigel |
| GAUTENG FREIGHT AND LOGISTICS HUBS | To increase economic efficiency by improving the regional flow of goods through the expansion of freight & logistics hubs | • City Deep expansion (CoJ)  
• Tambo Springs (EMM)  
• Sentrarand  
• Pyramid  
• Possible further hubs in the West Rand and Sedibeng | City Deep and Tambo Springs underway |
<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>COMPONENTS</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>To support the development of the Agri-sector and ensure job creation from increased agri-activity</td>
<td>• Upgrading of the Vereeniging Market, including in the MidVaal • Agro-processing facilities • Upgrade road and rail links</td>
<td>SCM process for feasibility study currently underway</td>
</tr>
</tbody>
</table>
SUSTAINABLE HUMAN SETTLEMENTS FROM THE PROVINCIAL FISCUS

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>COMPONENTS</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>We are ending the RDP developments. We are developing and sustainable settlements on well located land, with socioeconomic opportunities.</td>
<td>• Mega Human Settlement Projects eg: o Lufhereng o Savannah City o Masingita City o Syferfontein o Ratanda o Boiketlong o Zithobeni</td>
<td>There are 38 Mega Projects and are within our fiscus over the MTEF. However we will need to partnership with the private sector going forward.</td>
</tr>
</tbody>
</table>
### PARTNERSHIP ON PRIVATE SECTOR LED INVESTMENTS

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AREA OR NAME OF THE DEVELOPMENT</th>
<th>STATUS</th>
</tr>
</thead>
</table>
| The GCR has identified the following projects, which are aimed at facilitating and enabling the development of new nodes that will significantly transform the spatial form of the province. | Sedibeng Region  
- River City – SDM  
- Gauteng Highlands – SDM  
- Savanna City – SDM  
- ArcelorMittal, housing developments  
City of Joburg  
- Modderfontein  
- Waterfall City  
- Steyn City  
- Lanseria  
- Masingita City  
- Linksfield  
- River sands  
West Rand Region  
- Thusanang City, Westonaria  
- Ebony Mine  
City of Tshwane  
- New city in Nokeng  
- New Centurion City  
- Capital City Development  
Ekurhuleni  
- The work includes our partnership with SOE, PRASA, Transnet and ACSA | We have met all the developers and are working with them by investing in bulk infrastructure.  
We are working with Municipalities to speed up processes of regularisation and all approvals required |
CONCLUSION

• To support private sector investment into the GCR economy we are determined to reduce the cost and improve the ease doing business in the GCR, through addressing:
  – Administrative inefficiencies including across the three spheres of government
  – Improving transport and logistics infrastructure
  – Supporting skills development
  – Reducing the cost of living
  – Addressing issues of crime
  – Building integrity within government
  – Addressing the cost of inputs such as electricity and utilities through developing an energy mix intervention and broadband connectivity and, 
    – Working towards water and energy security

• Over the next 15 years, we would like to unleash the full energies of all our businesspeople and unlock the full potential of all 11 sectors of our provincial economy.
WE ARE OPEN FOR BUSINESS
TOGETHER, MOVING GAUTENG CITY REGION FORWARD!

THANK YOU!