



OPPORTUNITIES FOR GROWTH AND INVESTMENT IN GAUTENG

One Team, One Shared Vision



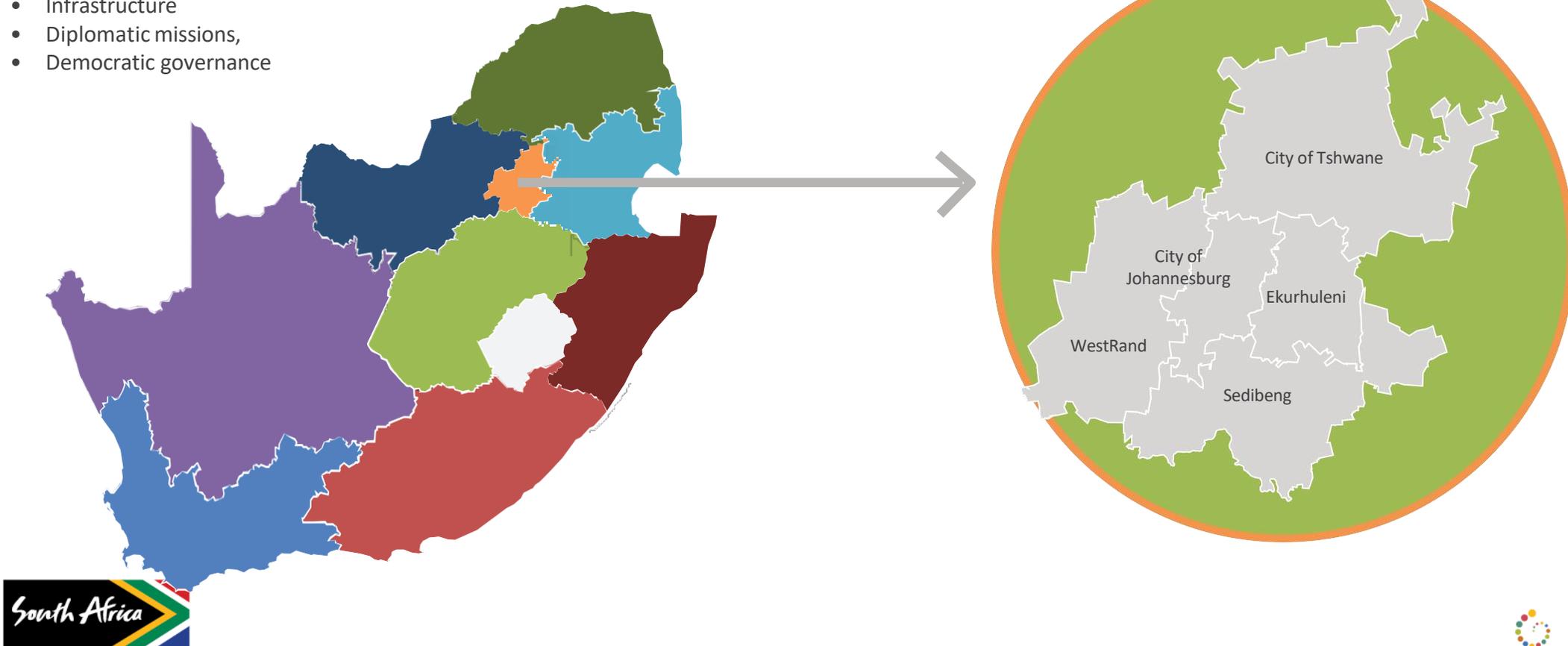
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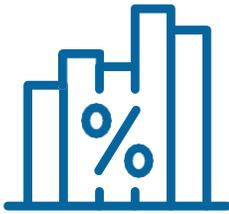
The **Gauteng City-Region** is home to a quarter of South Africa's population and generates **35% of the country's GDP**. The concentration of the national population and growth makes the **Gauteng City Region pivotal to the national agenda** of Transformation, Modernization & Re-Industrialization. The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

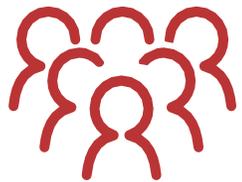
- Diversity of economic sectors
- Leading universities and research institutions,
- Infrastructure
- Diplomatic missions,
- Democratic governance



LARGEST PROVINCIAL ECONOMY IN SOUTH AFRICA



35% Contribution to the National GDP
16.0 Million Population
5.0 Million Total Employment
36.6% Unemployment Rate



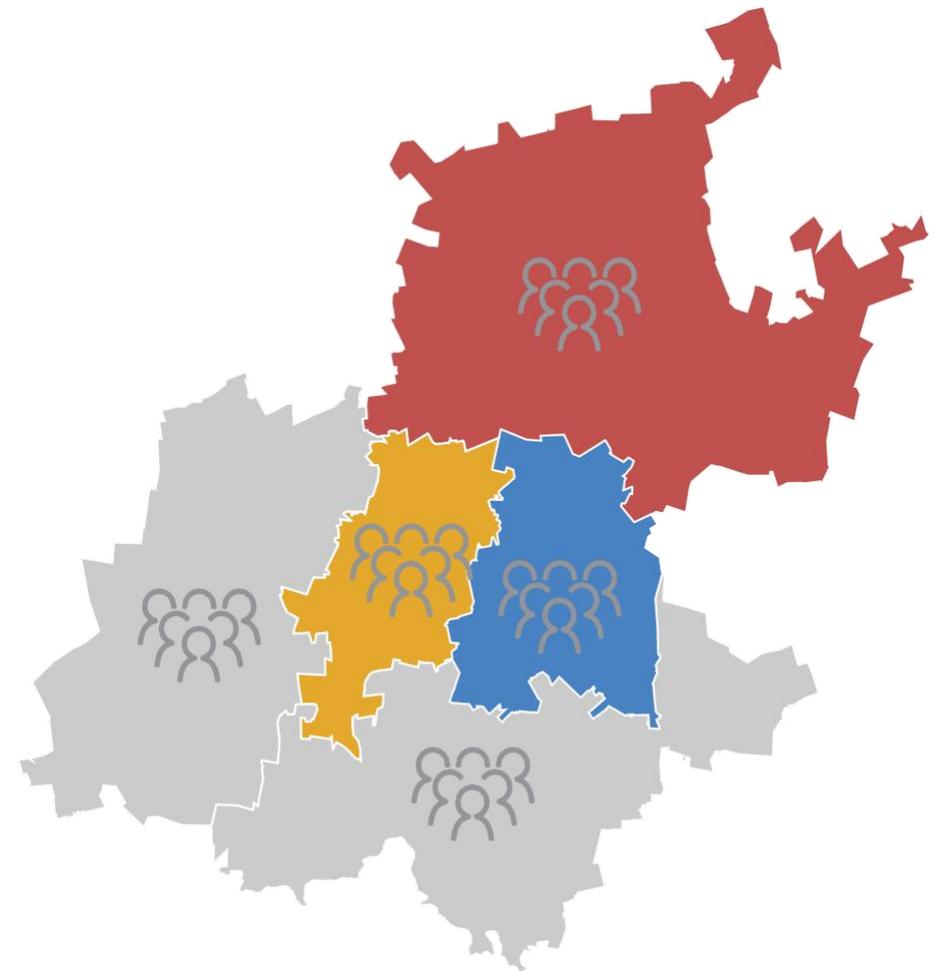
LARGEST WORKING POPULATION
in South African population

Functional literacy
90.6%

Gini coefficient
0.64

Human Development Index
0.71

People below the food
poverty line
2 million

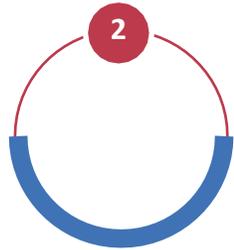


Inspiring new ways

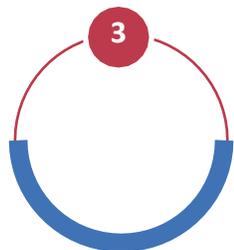




1 GROWING INFRASTRUCTURE BASE – There is an existing base to support a diversified economy and spatial transformation investments to grow the infrastructure base.



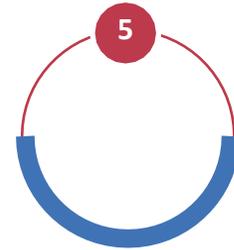
2 HOT EMERGING MARKET - Growing Middle Class, Affluent Consumer Base, Excellent returns on investment.



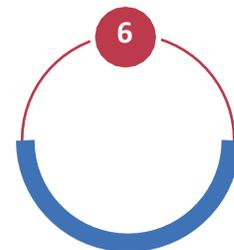
3 GLOBAL COST ADVANTAGE WHEN COMPARED TO PEERS – Gauteng is comparatively cheaper when it comes to land and labour.



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

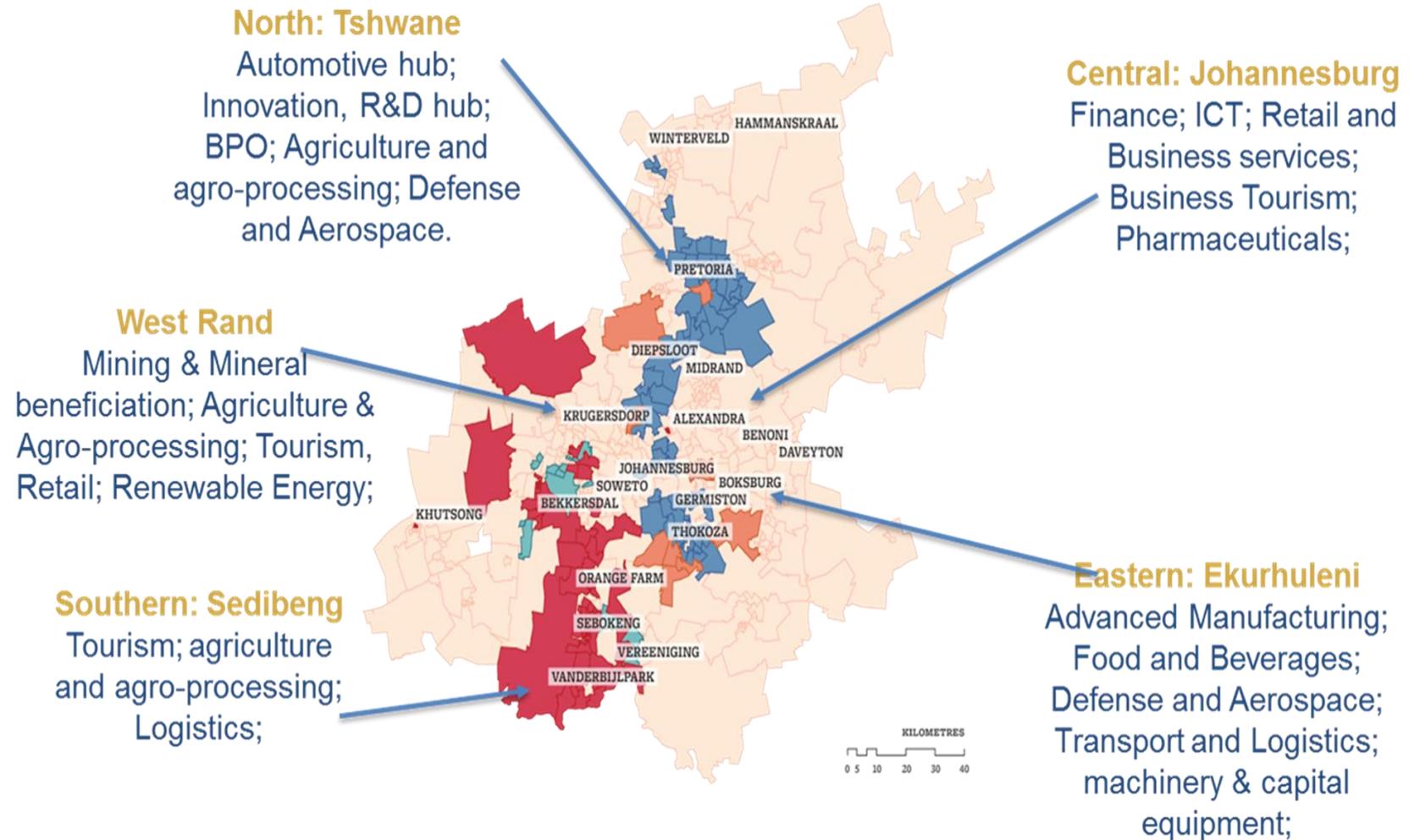


GAUTENG GROWTH AND DEVELOPMENT AGENCY

FIVE DEVELOPMENT CORRIDORS OF GCR & SECTORS

10 high-growth sectors:

- Green Energy
- Transportation & logistics
- ICT and digital services
- Tourism and hospitality
- Agro-processing & Cannabis industry
- Construction & infrastructure
- Automotive, Aerospace & Defense
- Financial services
- Pharma, Biomedical & medical devices





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 **OR Tambo SEZ** which is 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.
- **The WestRand SEZ** 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.

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 CURRENT SPECIAL ECONOMIC ZONE'S



GAUTENGIDZ
INDUSTRIAL DEVELOPMENT ZONE



vaal
SPECIAL ECONOMIC ZONE

Trade & Investment Regulatory Enablement (TIRE)

GGDA actively promotes the province's trade and investment promotion activities locally and internationally. The sub-programmes has the following functional areas:

1. Trade Promotion

- Export development & Export Promotion

2. Investment Promotion

- Investment Development and Identification,
- Investment Facilitation,
- Business Expansion, Retention, and Aftercare.

3. Invest SA Gauteng One Stop Shop

- Operates as the front office of TIRE activities

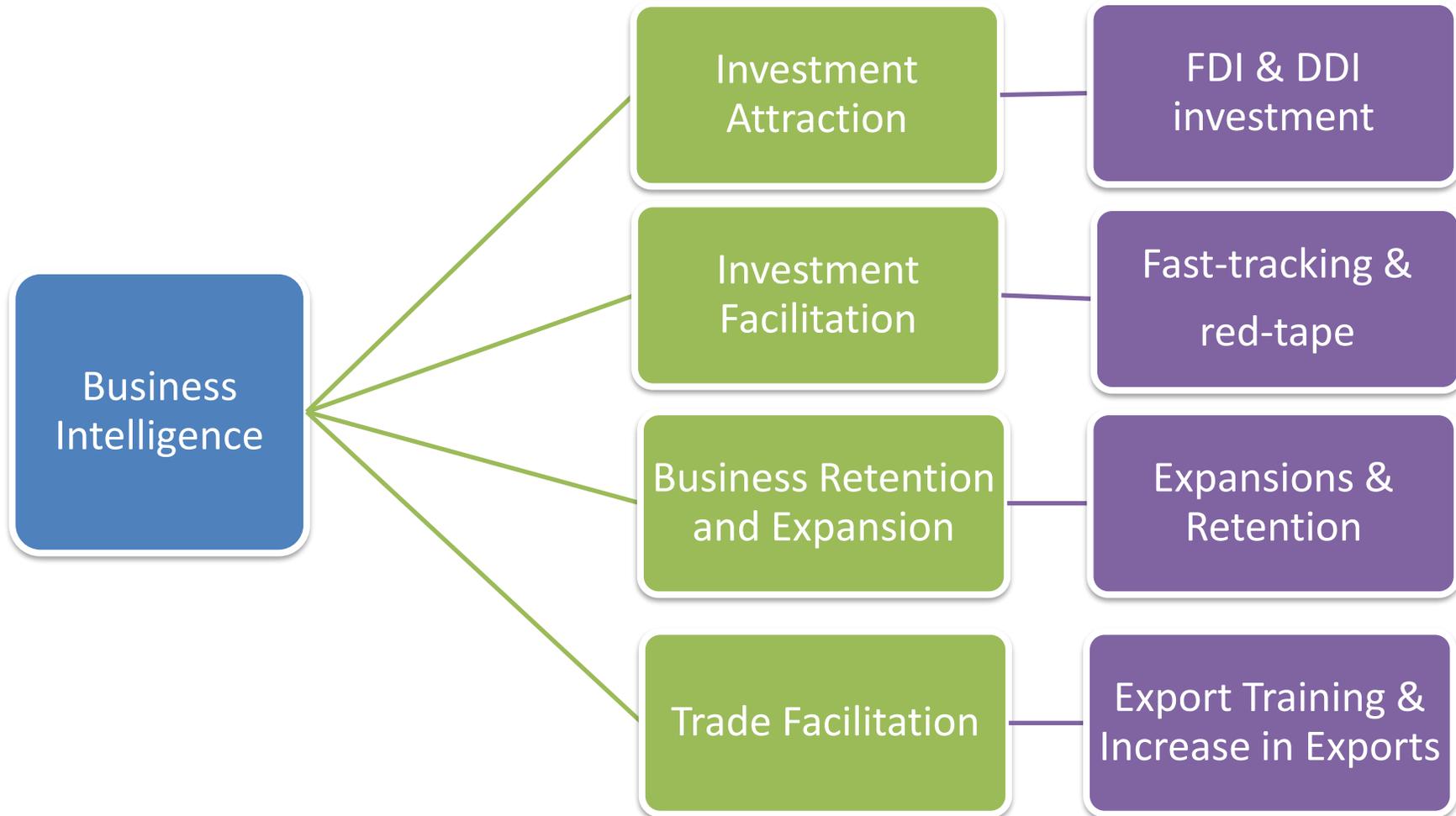
The objectives of the sub-programme are to:

Facilitate industry development programmes to grow key identified sectors

Facilitate investment that supports modernization and re-industrialization of Gauteng's

Increased global trade activities from Gauteng

TIRE focuses on the implementation of the Trade and Investment Strategy as well as improving its approach to African markets and taking a lead in Africa's re-industrialization. These interventions seek to improve and position Gauteng as a strategic trade partner within the continent. Strategic Partners such as foreign missions, business chambers are a vital part of this approach.



Focus on high-growth sectors:

- Green Energy
- Transportation & logistics
- ICT and digital services
- Tourism and hospitality
- Agro-processing & Cannabis industry
- Construction & infrastructure
- Automotive, Aerospace & Defense
- Financial services
- Pharma, Biomedical & medical devices



GGDA - INVEST SA GAUTENG AND OUR PARTNERS

Private sector & multi-lateral Institutions



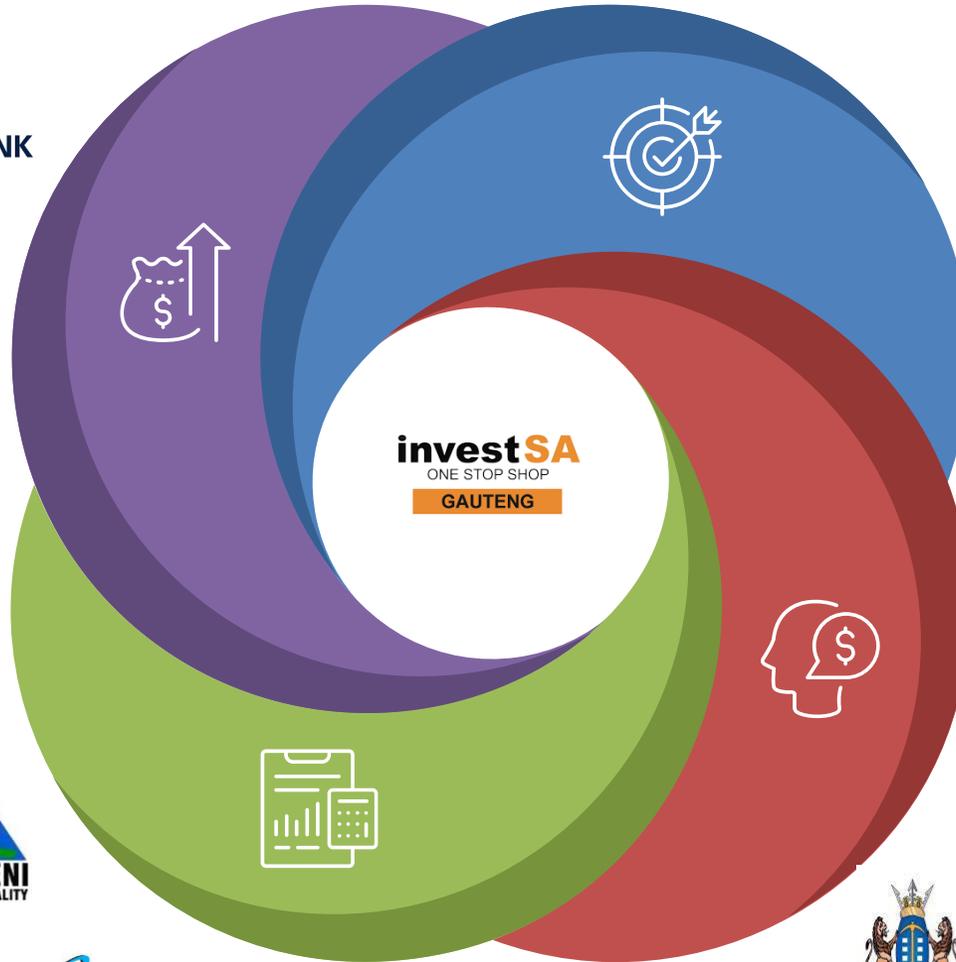
National Government/Agencies



Provincial Government/Agencies

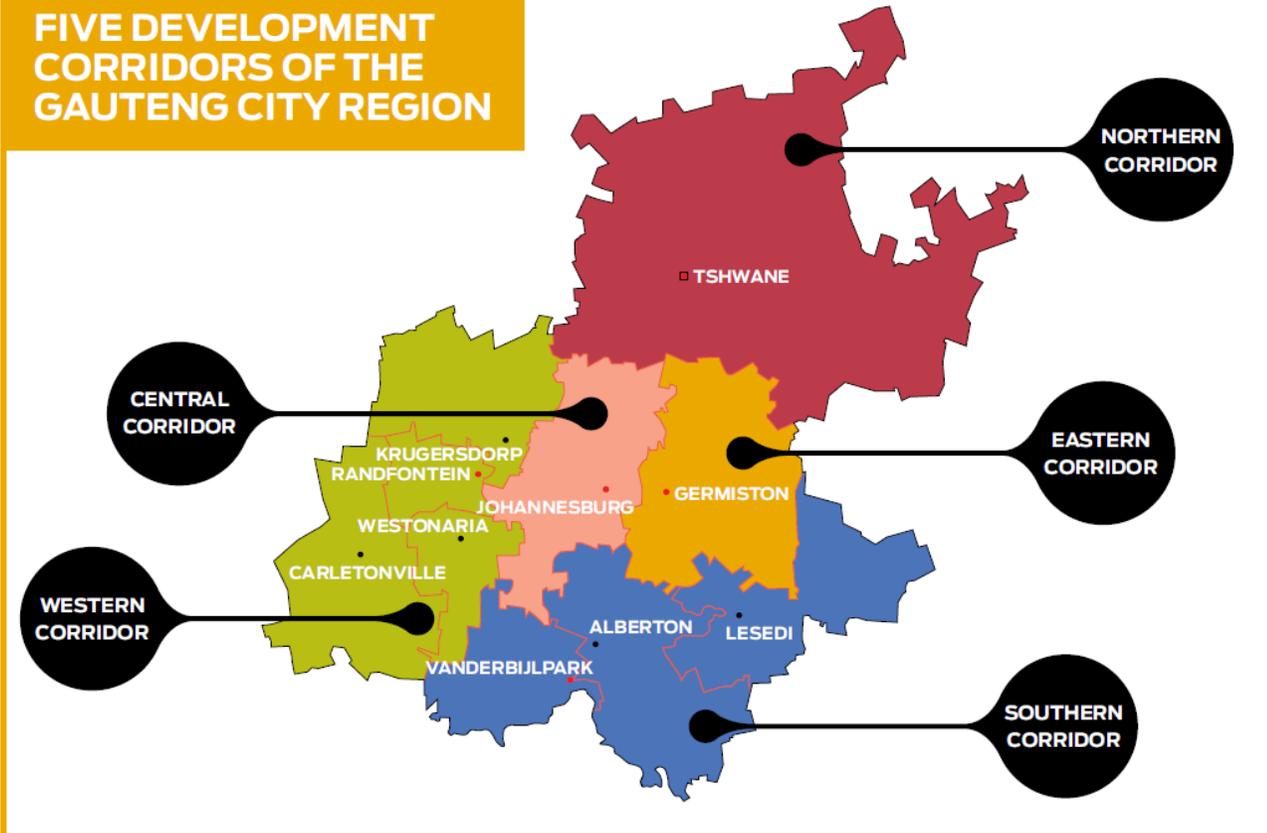


Local Government



FIVE DEVELOPMENT CORRIDORS OF GCR AND SEZ

FIVE DEVELOPMENT CORRIDORS OF THE GAUTENG CITY REGION



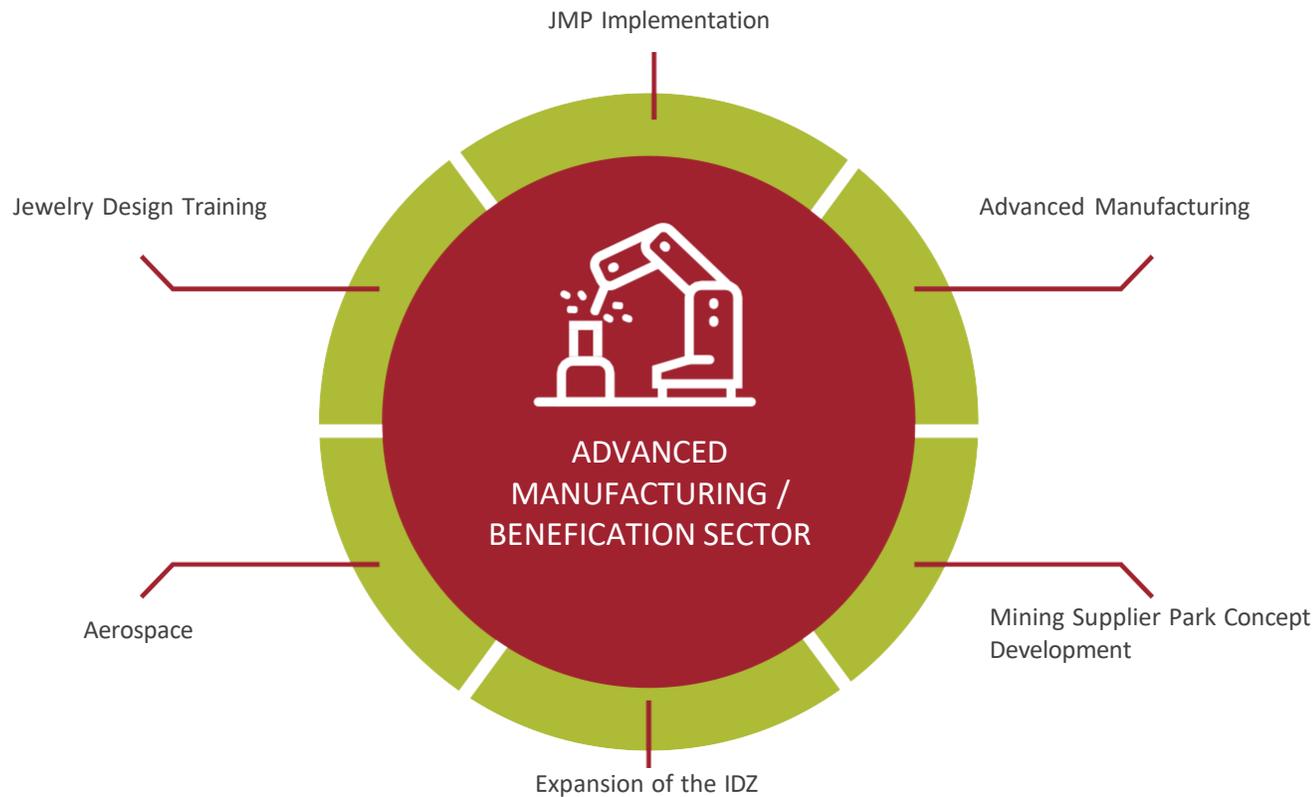
West Rand SEZ – SEZ designation expected end 2023. Agro-processing and Green Energy

Northern SEZ (TASEZ) – Targeting Automotive Sector . Anchor Tenant – Ford

ORT SEZ – Targeting Logistics and high value low mass manufacturing. Attracting medical devices companies into precinct 2

Vaal SEZ - Targeting green energy, Agro processing, logistics and cannabis

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.

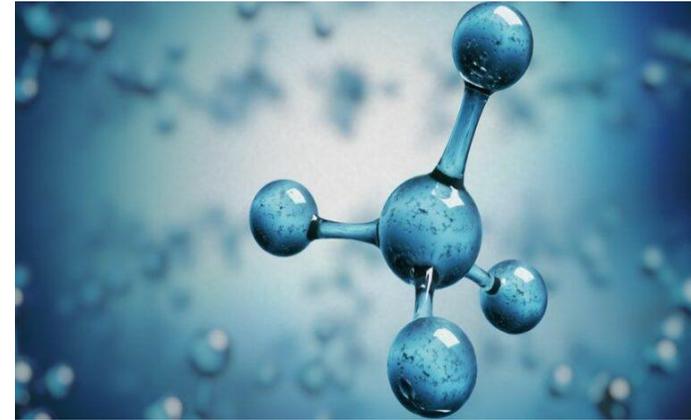


THE OR TAMBO SEZ VALUE PROPOSITION

- 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.



- 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**

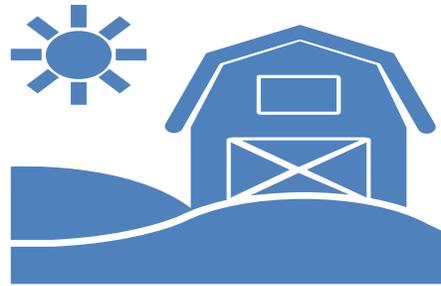
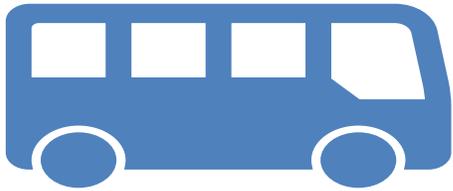


Inspiring new ways



WestRand SEZ

Focuses on agro-processing and will provide infrastructure as well as a marketplace for increasing Gauteng's position as an investment destination of choice in the sector.



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



Inspiring new ways



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

Thank You

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