

REIGNITE, BUILD AND GROW GAUTENG



Invest in the West Rand:

***Western Economic Corridor
of the Gauteng City Region***



GAUTENG PROVINCE

ECONOMIC DEVELOPMENT
REPUBLIC OF SOUTH AFRICA



GAUTENG GROWTH AND DEVELOPMENT AGENCY





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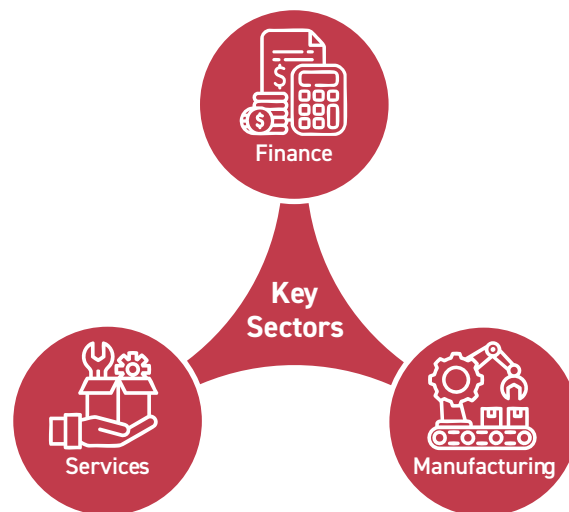
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1. OVERVIEW OF GAUTENG

Gauteng, South Africa's economic hub, is expected to experience optimism in the next 5 years due to national trends and regional dynamics. The province's GDP growth is projected to be around 1.5% to 2%, with Gauteng contributing 35% to the national GDP. Key sectors like finance, manufacturing, and services are expected to drive this growth. The provincial government's initiatives to attract investment and stimulate economic activities are expected to support this growth.

The Gauteng Provincial Government together with its agency the GGDA plans to enhance infrastructure development and attract investments, particularly in township economies and small businesses, to stimulate economic growth, create employment opportunities, and address spatial economic disparities, supporting the African Continental Free Trade Area.

Gauteng remains the economic engine of South Africa. As the country and the province navigates a modest recovery, the province's economic growth prospects for going forward will be shaped by both global and domestic dynamics.



With its highly urbanized population and concentrated economic activity, Gauteng is also investing in township economies, using special economic zones and township hubs to drive growth.



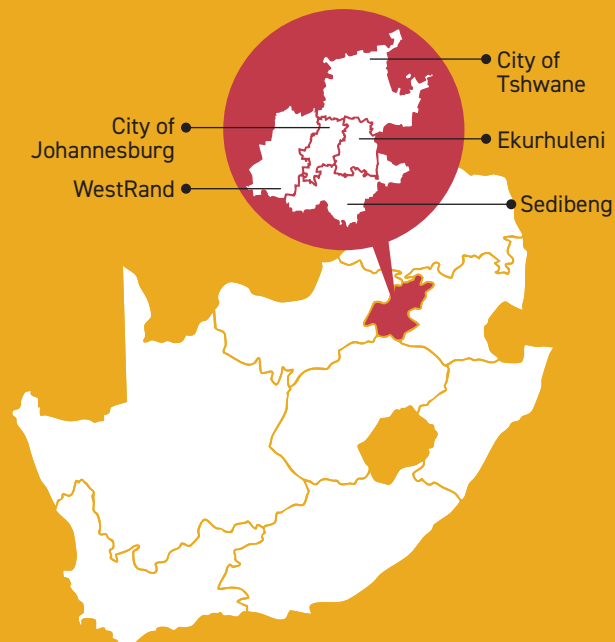
Estimate Provincial
GDP Growth

1.5%-2% of GDP



National GDP
Contribution

35% of GDP



2. SPECIAL ECONOMIC ZONES

The South African Government seeks to build a globally competitive industrial economy that fully leverages the potential of its citizens and regions. A key initiative for driving industrial growth is the Special Economic Zone Programme, established under the Special Economic Zones Act of 2014.

Special Economic Zones (SEZs) are geographically delineated areas with specific (and different) regulations which govern that specific geographical area. The purpose of SEZs is to promote/ advance local, regional and national development through enhancing linkages with the global

economy. More specifically, SEZs seek to create jobs and advance exports, while at the same time attracting Foreign Direct Investment (FDI).

Globally, SEZs have increased almost tenfold between 1995 and 2015. The key characteristics of SEZs are fiscal and non-fiscal incentives-and thus supply-side interventions. Non-financial incentives include administrative support which is based on reduced red tape and operational efficiency support, in which case businesses operating from the delineated premises have access to facilities which enable them to increase productivity. SEZs

are therefore increasingly viewed as a tool for development globally and in South Africa. SEZs typically cover large territories which might include regions/provinces.



3. THE GAUTENG MULTI-TIER SEZ PROGRAMME

The 6th administration of the Gauteng Provincial Government adopted the Growing Gauteng Together 2030 (GGT 2030) as a strategy to catalyse the economy of Gauteng. GGT 2030 specifically defines efforts to be pursued to create inclusive growth and decent employment in the province.

The GGT 2030 proposes a corridor approach to develop the Gauteng economy, with the identified corridors being: **Northern, Central, Western, Southern, and Eastern Corridors**. The Gauteng province commits to using the SEZ programme as a

catalyst for rapid economic expansion through the five corridors. Specifically, SEZs have been identified as tools that can boost manufacturing, exports and job creation in the province.

To successfully roll out these SEZs, the Gauteng Multi-Tier programme was introduced. A **Multi-Tier SEZ** concept seeks to establish SEZs in each of the 5 corridors of the Gauteng City Region. The programme is multi-Tier through the facilitation of joint strategizing and ownership of the regional SEZ enterprises by all 3 spheres of government (national, provincial and local).

The program is further meant to:



Create an enabling environment for infrastructure rollout and upgrades that catalyze corridor development in the Gauteng city region."



Position the SEZs to drive investment & and reindustrialisation in the high-growth sectors defined in GGT 2030.



Systematically provide a basis for SMME and youth inclusion in the development and broader value chain of the SEZs.



Provide a basis for the creation of jobs through construction and operational investments.

4. OVERVIEW OF THE WEST RAND ECONOMIC CORRIDOR

The West Rand District Municipality consists of three local municipalities – Mogale City, Merafong City, and Rand West City (Randfontein). The West Rand has a population of just under 890 000 people and is expected to have just over 1 million people in 2030. As is common in many areas characterised by mining as the main economic driver, the municipality has a significantly higher population of working-age men than women.

Agriculture has long played an important economic role in the municipality, with maize yields being consistently above the national average. Cattle, vegetables and cut flowers are also farmed for both local and export markets, with the nearby Lanseria Airport providing an air link for exporting produce. Maize, grain sorghum, dry beans, sunflowers, assorted vegetables, beef and dairy cattle, chickens and broilers, and pork, are all produced in the municipality.

Value Proposition

The proposed West Rand Special Economic Zone offers a strategic investment destination aimed at driving economic growth and industrial development in the region. It provides a competitive environment with key infrastructure and incentives to attract local and international businesses. These include:

Close proximity to the City of Johannesburg, O.R. Tambo and Lanseria International Airports and accessibility to the N12 and N14:

West Rand is located on the doorstep of Gauteng's large population centers, Lanseria and OR Tambo International Airports, and various logistic, transport, and distribution centers.

Spatial integration via the N12 and several irrigation schemes along the Orange River via the N14: Accessible irrigation at scale allows agriculture to thrive.

Ongoing population growth and predominantly young population profile:

Modest population growth is expected to continue, with most of the population being of working age.

Tourism:

The Cradle of Humankind, Muldersdrift and the Magaliesburg all have significant potential for tourism growth.

Foundational education infrastructure:

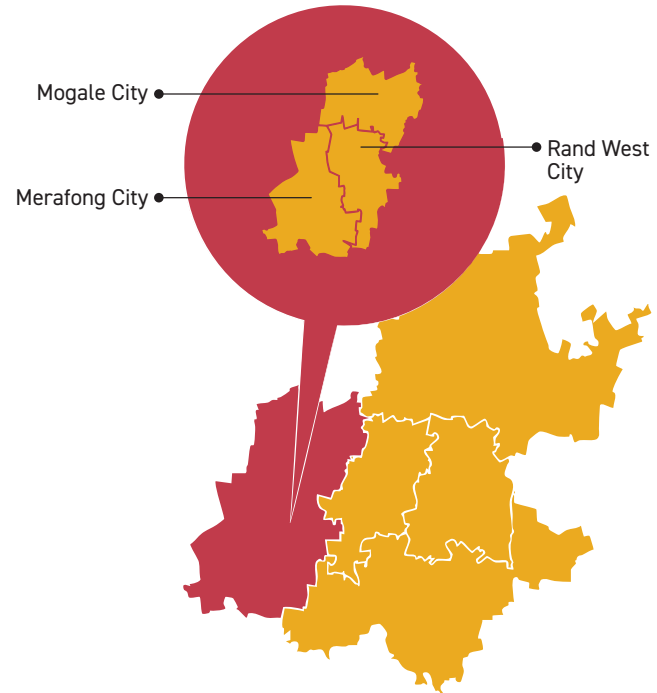
The West Rand has strong foundational infrastructure, including the Southwest Gauteng TVET College and Western College TVET. Additionally, it benefits from close proximity to academic and vocational education institutions in Johannesburg. a close proximity to academic and vocational education institutes in Johannesburg.

Location

The West Rand District Municipality extends over 4087 km² from its seat in Randfontein. To its east it shares a boundary with the City of Johannesburg. To its west and southwest it shares boundaries with the Bojanala District and Dr Kenneth Kaunda, of the North West Province.

To the northeast it shares boundaries with the City of Tshwane. To its south east it shares a boundary with Sedibeng District

of Gauteng. West Rand District is located on the southwestern edge of Gauteng Province and is traversed by major national roads, namely the N12 and N14.





Mining Sector

The Western corridor is a powerful mining region extending to Klerksdorp and Potchefstroom that has undergone significant de-industrialisation due to the decline of the mining industry. It is therefore proposed that the region undergoes a transformation, innovation and reindustrialisation in the form of a renewed revitalisation programme.

Notable mining houses that are located and have operations in the West Rand are:

- Harmony Gold
- AngloGold Ashanti
- Goldfields
- DRD Gold
- West Wits Mining
- Sibanye-Stillwater



Opportunities in the mining sector are as follows:

- Establishment of a mining equipment & supply park
- Rehabilitation of mining dumps
- Water purification programme
- Urban mining (discarded metal resources recycling)
- Soil recycling factory
- Manufacturing of mining apparel



Industrial Sector

The Western Corridor is home to a growing industrial sector, with several existing industrial infrastructures that support economic development and investment in the area. Some of the infrastructure includes:

- **Industrial parks:** The region is home to several industrial parks, including the Krugersdorp Industrial Park, Chamdor, the Randfontein Industrial Park, and the New Era Industrial Park, which provide businesses with access to key infrastructure and services.
- **Roads and transportation links:** The corridor is well-connected, with access to major roads, including the

N14 and R28, which connect the area to other parts of Gauteng and beyond. The district also has a growing public transportation network, including bus and taxi services.

- **Power and energy:** The area has a reliable supply of power and energy,

with access to the national electricity grid and several independent power producers.

- **Water and sewage treatment:** The region district has access to a reliable supply of water, as well as several sewage treatment facilities.

- **Telecommunications:** The region district has a growing telecommunications sector, with access to high-speed broadband and other digital communication infrastructure.



Tourism

West Rand is home to the Cradle of Humankind, a World Heritage Site-one of eight such sites in South Africa and the only one in Gauteng. It is widely recognized as the place from which all of humankind originated.

The West Rand is an ideal tourism destination, offering abundant opportunities for various types of tourism experiences.

It offers the following opportunities:

- Recreational Tourism activities include hot air ballooning, skydiving and art galleries.
- Heritage/Educational Tourism - Cradle of Humankind, which is the only World Heritage Site in the West Rand.



5. PROPOSED WEST RAND SEZ

The proposed West Rand Special Economic Zone is in the West Rand District Municipality in the Gauteng Province. Land parcels are currently available for investment in two of the three local municipalities, namely Rand West City (3) and Mogale City (1). The identified land parcels cover approximately 2000 hectares.

Rand West Municipality

a) Portions 47 and 54 Gemspost

The Gemspost sites are located just north of Westonaria adjacent to an existing, well-established industrial area. The sites consist of Portion 47 (measuring 34 ha); Portion 1 of 288 (measuring 433 ha). Portion 1 is zoned industrial and ready for

development; Portion 47 is zoned farmland and immediately available.

b) Portion 10 of the Farm Gembokfontein 290IQ

The site is located on the remainder of Portion 10 of Farm 290 IQ, West Rand Municipality, south of the Randfontein node. The land parcel is earmarked for industrial/manufacturing zone including bus manufacturing.

c) Remainder of the Farm Panvlakte 291-IQ

The site is well-located, accessible and visible from the N12. It has large open areas with moderate slope. The site is in proximity of all services and is big enough to support various phases of development and a variety

of sectors. The site also includes a portion of Westonaria to the east which could be highly suitable for agricultural and solar PV farm activities. The site is flat sloped with good access to main roads and other municipal infrastructure.

Mogale City, Kagiso

a) Portion 3 Witpoortjie

The Chamdor site is located just south of Krugersdorp adjacent to an existing, well-established industrial area of Chamdor and measures 359 Ha. The land parcels are farmland and township establishment will have to take place to develop the site for other use.



6. INVESTMENT OPPORTUNITIES IN THE PROPOSED SEZ

Agro-Processing and Agri-culture

The region encompasses large-scale commercial farming, intensive commercial farming, urban agriculture, rural residential agriculture, and subsistence farming, means that there is a well-established supply of agricultural knowledge and a supportive ecosystem for agriculture (e.g., input supply, transport firms, etc.) already existing in the municipality – even if this ecosystem is predominantly geared to serving large geared to serving large capital intensive commercial farmers. The investment opportunities are as follows:

- Agriculture Inputs Manufacturing and supply
- Agriculture Machinery and equipment manufacturing
- Increasing production,
- Post harvest: Value-adding and processing of all suitable commodities.
- Horticulture Commodities: Vegetables, herbs and ornamentals (cut flower production for exports),
- Grains: Maize; Sorghum; Dry beans;
- Oil seeds - Sunflowers;
- Livestock: Beef Cattle
- Piggery production
- Poultry production (Broiler and Layers).
- Niche Commodities: Aquaculture and Mushroom



Renewable Energy

The renewable energy plans in the proposed West Rand SEZ are in line with the green transition energy of the Gauteng Provincial Government (GPG). GPG has identified several opportunities to drive the clean energy transition in Gauteng, these include hydrogen, solar energy, waste energy and gas, amongst others.

- Solar energy and green hydrogen are identified as suitable for the West Rand
- Hydrogen mobility
- Energy for Industry and Buildings
- Potential of Converting existing natural gas network to hydrogen
- Fuel Cell and Electrolyser Industry

Transport and Logistics (Including Warehousing)

The West Rand's strategic location offers convenient road connections to Johannesburg via the N12 and N14, as well as easy access to North-West Province. Additionally, its proximity to Lanseria Airport provides vital air transport links, which are particularly beneficial for economic sectors such as horticulture and fresh flower production.

The nationwide decline of rail transport has led to significant growth in the logistics industry, creating new opportunities

for investment. This shift from production to the movement of goods presents a strategic advantage for the proposed West Rand Special Economic Zone (WRSEZ). The West Rand is already home to several established logistics companies, positioning the region as an ideal hub for developing a robust logistics sector within the SEZ.

The downstream industries which are likely to benefit from a logistics hub include shipping agents, courier services, logistics technology companies including financial and insurance services companies.



7. INVESTOR SERVICING BY GGDA





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