TSHWANE INVESTMENT SUMMIT 2025

Tshwane Rising – Partner, Invest, Revitalise

Tshwane Economic Revitalisation Strategy

TSHWANE ECONOMIC DEVELOPMENT AGENCY

CITY OF TSHWANE
IGNITING EXCELLENCE

Table of contents

List of figures

List of tables

List of extracts

Document information

Economic Revitalisation Strategy 2025–2029

Compiled by:

- Economic Development and Spatial Planning Department
- Governance and Support Services Cluster
- City of Tshwane Metropolitan Municipality

Team leaders

- Dr Benjamin Manasoe
- Dr Lardo Stander

Contributors

- Mr Dennis Madumo
- Mr Isaiah C Engelbrecht
- Mr Ruben E Jones
- Ms Namugaya Kisuule
- Mr Henri Labuschagne
- Mr Tshifhiwa Madima
- Ms Dolly Mafa
- Mr Sunday P Mahlangu
- Mr Pule M Mmutlana
- Mr John Nkuna
- Mr Pieter Naudé Scribante
- Mr Pieter Swanepoel
- Ms Zukiswa Ntsikeni
- Dr Ntsikane Maine

Contact details

8th Floor, Middestad Building, cnr Thabo Sehume and Pretorius Street, Pretoria Central

Tel: +27 12 358 2497

Mobile: +27 83 457 1718

Email: benjaminman@tshwane.gov.za

Foreword by the Executive Mayor

On 9 October 2024, I had the honour of being elected as the Executive Mayor of Tshwane, our nation's capital city. With this mandate, I pledged to ensure that quality basic services for all residents remain a principle rather than a political aspiration. However, beyond service delivery, our city's prosperity hinges on revitalising Tshwane's economy – a cornerstone for sustainable growth and development. This Economic Revitalisation Strategy represents our collective vision for the future of Tshwane. It outlines targeted interventions to unlock the city's full potential and foster inclusive economic growth.

The City of Tshwane was established in the year 2000 after the amalgamation of 13 other small municipalities to form the new City of Tshwane Metropolitan Municipality. The City of Tshwane covers over 6 298 km^2 and is currently the largest city in South Africa and Africa, and it is the third largest city globally by geographic scale, with a population of over 4 million by 2022.

Furthermore, the City of Tshwane recorded R 326,82 billion in real Gross Domestic Product (GDP) in 2024, which makes it the second largest economy behind the City of Johannesburg, and it is followed by the City of Cape Town. The City of Tshwane has a vibrant and diverse economy, which enables it to contribute at least 26,8% towards the Gauteng Province's GDP and 9,4% of the GDP of the national economy. Its main economic drivers are the automotive manufacturing industry, research and development, aerospace and defence industries as well as innovation. It has the second-largest number of embassies in the world after Washington DC. The City of Tshwane is a major research centre in the world, with a wide range of research and development activities. The city's research and development includes scientific and technology research, agricultural research, and health sciences research.

However, despite all these opportunities, the City of Tshwane faces significant challenges. One of the critical challenges facing the City of Tshwane is the high levels of poverty, unemployment and inequality. In terms of monthly income per race, Black Africans and Coloureds are earning less than R 12,800.00 per month, while the Whites and Indians are earning over R 25,601.00 per month. The majority of Black Africans and Coloureds stay in the townships and in rural areas which are located mainly in Regions 1, 2, 6, 5 and 7. Another major challenge, dovetailing from the poverty, unemployment and inequality already referred to, is youth unemployment. Over 60% of young people are unemployed in Tshwane. Regions 1 and 2 have the highest unemployment rates of 71.3% and 63.1% respectively. The majority of black Africans are located in these regions. In terms of spatial economic activities, Regions 1, 2, 5 and 7 have little economic activities as compared to Regions 3, 4 and 6. These issues impact all our residents but affect our most vulnerable populations (Black Africans, Coloureds, women, youth and persons living with disability) the hardest.

Young adults, who constitute approximately 70% of the Tshwane population, are the future of our city. The youth bulge can be associated with the population boom or students enrolled in the City's higher education institutions. In terms of gender, black African women account for over 40% of Tshwane's population. I am acutely aware of the challenges many women face in trying to raise their families and to improve the quality of their lives. I believe in the potential of our women and our youth, and I am committed to unlocking these. Another important sector of our society is persons living with disabilities. The plans and programmes contained in this document will ensure that spatial economic disparities, and challenges faced by youth, women and persons living with disabilities, are addressed.

This document outlines our plans to address the city's challenges while harnessing its immense potential. It details our collaborative efforts to revitalise the City of Tshwane's economy over the next four years, building on the foundation laid by the previous Tshwane Local Economic Development Strategy, approved in 2020.

The 2025 – 2029 Economic Revitalisation Strategy will adopt an inclusive approach, which will establish interventions, determine effective ways to achieve them, and assess as well as report on progress, all the while supported by data and innovation. Our aim is to address the City of Tshwane's challenges and create jobs through 11 clusters: (1) Tourism and MICE, (2) Diplomatic economy, (3) Automotive sector, (4) Agriculture and Agro processing, (5) Construction sector, (6) Research and Innovation, (7) Informal sector and township economy, (8) Circular economy, (9) Digital economy, (10) Student economy and (11) construction sector.

Within these pillars, we will focus on several critical pathways: Sustainable economic infrastructure, Enterprise Development Support, Township Economy, Public-Private Partnership, Inclusive Economic Growth, Ease of Doing Business, Workforce and talent Development, Inner City Rejuvenation, Economic diversification and industrialisation, Innovation and Investment, and Rural Development.

Together, we will drive Tshwane’s economic renewal and create a city that thrives, inspires, and uplifts every ratepayer, resident, citizen and visitor.

1 Introduction

Cities around the world are having to adapt to a set of global forces that are redefining what it takes to excel in today's global economy. Firstly, globalisation is intensifying revolutions in information technology and transportation, the rapid rise of emerging markets, the globalisation of finance, and the advent of global value chains, all of which having intensified international exchange. Global flows of goods, services, and capital have expanded fivefold over the last two decades, from $5 trillion in 1990 to $26 trillion in 2012. Furthermore, at the time of producing this strategy, global trade was poised to hit an all-time high of nearly $33 trillion in 2024, with a $1 trillion increase largely driven by a 7% rise in services trade.

Secondly, technology is altering how we communicate, how firms create products and services and deliver them across the globe, and the very nature of work itself. The McKinsey Global Institute predicts that 12 emerging technologies will generate an annual economic impact of $33 trillion by 2025. Risks accompany these breakthroughs; for instance, already-demonstrated technologies have the potential to automate 45 percent of work activities in the United States.

Thirdly, urbanisation is changing the geography of growth and economic activity in emerging markets, especially in Asia and Africa. The share of global population in metropolitan areas grew from 29 percent in 1950 to 55 percent in 2020, and it is predicted to reach 68 percent by 2050. Cities are on the frontlines of these shifts and their position creates both challenges and opportunities. As more emerging markets come online – connected by technology and trade – the possibilities for where firms and workers can locate their activities have expanded, generating new pressures on individual cities to attract mobile talent and firms. This basic premise is not necessarily new; for centuries firms have sought out supportive environments that provide them with the inputs required to sell their products and services.

Cities have always utilised this external demand as a critical route to expanded local wealth and prosperity. However, the competition for firms and workers has heightened considerably today, due to the sheer number and size of cities actively engaged in global flows of trade, talent, and capital. Of course, these same dynamics have created abundant market opportunities for cities as well. For those places that allow firms and people to successfully plug into the global economy, the returns are high.

Political, business and civic leaders across the world have thus become increasingly focused on understanding and enhancing their city-regions' economic competitiveness and connections. To help inform their efforts, the Global Cities Initiative – a joint project of Brookings and JP Morgan Chase – is exploring the competitiveness of global city-regions through a two-year series of *Global City Profiles*, which includes the city of Paris. This research draws on Harvard Business School's research, which defines a competitive region as one in which firms can compete successfully in the global economy while supporting high and rising living standards for local households. It acknowledges that firms compete in the global marketplace, but that the public sector can support a healthy and vibrant private sector through investments in skills, innovation, and infrastructure. It also acknowledges that corporate success alone is unsustainable if it is not accompanied by flourishing workers and families, and that connecting residents to education, training, basic infrastructure, finance and human services is also critical. Competitive regions are, by this definition, supportive environments for both companies and people.

This profile draws upon a unique dataset of globally comparable performance indicators to offer new insights about the economic competitiveness of the Paris region (see the accompanying boxes on benchmarking and on defining the Paris region). It uses international benchmarking to explore the overall economic performance of the region and assess its comparative strengths and weaknesses on five key competitiveness factors, and it concludes with implications for the city-region's network of government, business, civic and community leaders to consider, as they position the Paris region on the global stage.

South Africa's growing population and increasing demand for efficient public services have strained already limited public resources, prompting a need for innovative approaches to service delivery.

Legislative frameworks like the Local Government: Municipal Systems Act, 2000, and the Municipal Finance Management Act, 2003, set the foundation for municipal operations but lack clear guidance on implementing innovative solutions. As technological advancements accelerate and socio-economic challenges intensify, municipalities such as the City of Tshwane must adopt agile and resourceful strategies to ensure equitable access to essential services while fostering economic and social upliftment.

In response, the City of Tshwane developed an Innovation Strategy as a blueprint for fostering a culture of innovation and driving socio-economic development. This strategy aligns with South Africa's National Development Plan (NDP), which emphasises innovation as a key driver of economic growth, job creation and state capacity building. By integrating the NDP's pillars of economic growth, skills development and institutional capability, the City aims to establish a purposeful and inclusive innovation ecosystem. Through this alignment, the city seeks to address local service delivery challenges through sustainable, scalable and citizen-focused solutions.

The City of Tshwane's Innovation Strategy (2023 – 2027) outlines key innovation pillars and actions aimed at fostering economic development through a structured, collaborative and technology-driven approach. The strategy aligns with national development goals and positions the City as South Africa's innovation capital.

Economics is uniquely linked to all other PESTEL (i.e. political, economic, social, technological, environmental and legal) areas. During the pre-pandemic era (2010 – 2019), a series of global economic and non-economic shocks caused growth to stagnate in South Africa. The state capture project weakened key institutions and state owned enterprises (SOEs). The period was characterised by fiscal cliff concerns, low investor confidence, political friction and a fragile economy. The pandemic period (2020 – 2021) sent GDP per capita back to 2005 levels, caused record-high unemployment (over 2 million jobs lost in 2020, Q2) and exploded national debt (the last three revisions to debt-to-GDP by 2022/23 saw increases from 59% to 71% to 85%). The post-pandemic (2022 – 2030) economy is likely to show slow recovery, with institutions and SOEs still weak and massive fiscal, social and political pressures, but this also presents the opportunity to refocus, reform and future-proof strategies. Balancing short term versus long term priorities will be hard but necessary. The fiscal, social and political pressures may lead to unrest that could engulf the state in the next couple of years if current trends are not reversed. The City of Tshwane as the administrative capital of South Africa is particularly vulnerable to possible protest action.

The City of Tshwane is one of South Africa's leading municipalities in terms of economic outcomes. The City of Tshwane's largest economic sectors are manufacturing of transport equipment, business services and general government administration and related services. Other sectors in which the City of Tshwane contributes more than the national average include iron and steel manufacturing, communication services and financial services. The City of Tshwane ranks high amongst metros in the key areas of education and safety. Employment outcomes have been increasingly under pressure in recent years, partly due to a worsening macro-economic environment and a net inflow of workers from other regions in which employment prospects are even worse.

The City of Tshwane has always been a leader in research and development through its many institutions dedicated to education and science. Its strong links to the government sector have further entrenched its position as South Africa's premier research and development (R&D) hub. The City of Tshwane also features many world-class health and medical facilities, although the need to expand public health care facilities has long been a pressing issue for local and provincial authorities.

The African Continental Free Trade Agreement (AfCFTA) (which became effective from 30 May 2019) has the potential to open up many more markets for primary and secondary sectors in the country and in Gauteng and the City of Tshwane, in particular. The emphasis on manufacturing and logistical competitiveness in the City of Tshwane will enable businesses to better take advantage of the opportunities afforded by the AfCFTA.

The City of Tshwane has made great strides in starting to adopt or promote various smart city concepts and green technologies. These investments are also important in providing incentives for private investors to adopt such technologies and further the City of Tshwane's reputation as a world class city.

Tshwane will place strategic value on its trade and investment facilitation function that can offer significant strategic value to a modern city in the 21st century by enhancing its economic competitiveness and fostering sustainable growth. The aim of the trade and investment facilitation function will be to have the following impact:

- Attracting Foreign Direct Investment (FDI) into Tshwane: By providing streamlined processes and support, the city can attract foreign direct investments (FDI), which bring capital, technology and expertise, boosting local economies and creating jobs.
- Enhancing Trade Opportunities: Promote trade opportunities for local businesses, enabling them to expand into new markets and increase exports, contributing to economic growth.
- Supporting Local Businesses: Through advisory services and access to networks, Tshwane can empower local businesses to scale operations, innovate, and participate in global supply chains.
- Improving Infrastructure and Services: Investment facilitation can highlight the need for improved infrastructure and services, encouraging public and private investments in transportation, logistics, and technology.
- Promotion of Entrepreneurship: By fostering investments and trade, Tshwane can create new job opportunities across various sectors, thus addressing unemployment and supporting community development.
- Sustainability and Resilience: Trade and investment facilitation can prioritise sustainability by attracting investments in green technologies and encouraging businesses to adopt environmentally friendly practices.
- Global Competitiveness: Facilitating international partnerships and collaborations will help Tshwane to become competitive on a global scale, attracting attention and investment from around the world.
- Data and Insights: A dedicated function can collect and analyse data on trade patterns and investment flows, providing valuable insights that inform policy decisions and strategic planning.
- Enhancing Quality of Life: Economic growth driven by trade and investment leads to better public services, improved infrastructure and enhanced quality of life for residents, making the city more attractive to live and work in.
- The trade and investment facilitation function serves as a catalyst for economic development, enhancing a city's ability to compete in the global market while addressing local needs and challenges in the 21st century.

Consolidated operating revenue for the City of Tshwane shows large exposure to government grants and subsidies (at risk from lower national tax revenues) and electricity sales (at risk from increased off-grid electricity consumption). Eskom's failure to provide stable, reliable electricity has forced many businesses and households to invest in off-grid solutions. This trend is most likely to continue, which will have repercussions for the City of Tshwane in terms of electricity sales revenues.

2 The State of the City of Tshwane's economy

The City of Tshwane Metropolitan Municipality is in the northern part of Gauteng Province. Coupled with being the administrative capital of South Africa, Tshwane is spatially the largest metropolitan municipality in Gauteng, as illustrated in Figure 1 below. At 6 298 km2, Tshwane is currently the largest city in South Africa and Africa, and one of the largest cities globally. In terms of the Gauteng Province's development corridors, the Northern Corridor is in the City of Tshwane, the capital of the Republic. Its main economic drivers are the automotive manufacturing industry, research and development, aerospace and defence industries as well as innovation.

The City's population has grown from 2 478 557 in 2007 to 3 555 741 in 2019 (i.e. at a rate of 2,92% annually), which is double the growth rate of the population of South Africa and of Gauteng Province as a whole.

Figure 1: Location of City of Tshwane

Like any other City in South Africa, Tshwane mirrored the reality of the new South Africa: spatial fragmentation; skewed service delivery, where those living in poverty came last; poor education and health standards for the broader population; and socio-economic inequalities that reflected an economy in crisis, among others.

In 2000, the municipality was amalgamated with 13 other smaller municipalities to form the new City of Tshwane Metropolitan Municipality as a step towards reconciling the residents of the region and developing an integrated economic base to deepen socio-economic transformation. Further changes were made to the metro boundaries in 2011 with the incorporation of the former Metsweding Region into Tshwane.

Much of the developmental growth in the city has been makeshift, responding to changes in boundaries, and the periodic changes in leadership priorities following elections. Tshwane Vision 2055 is a proactive strategy that brings stability to long-term planning decisions.

The city now covers approximately 35% of the total land area of Gauteng's 18 178km². It has seven administrative regions, 107 wards and 214 councillors. It is also home to more than 4 million residents and has some of the best universities and most advanced research institutions in Africa. It has a relatively young population, with about 677 110 people below the age of 14 and a further 1 185 605 between 15 and 34 years of age. Combined, that represents about 64% of the city's population – and the future benefactors of Tshwane Vision 2055.

2.1 Demographics

The Capital City is a vibrant place where people from all backgrounds come together in the hopes of achieving a better life. This is as a result of one of the main reasons why people flock to cities, which is the agglomeration benefits. Thus, people move to cities in the hope of a better life and better prospects. That is why the global trend is that there would be a higher concentration of people in cities. This is no different for the City of Tshwane.

This section will focus on the demographic composition of the City of Tshwane. The data provided here is data compiled from Census 2022, Statistics South Africa's Mid-year estimates and the Quality of Life 7 Data to construct a profile for the city.

Table 1 outlines the total population for each of the regions/cities in Gauteng. The three metropolitan municipalities account for more than 85% of the province's population, with the City of Tshwane accounting for approximately 27% of the province's population.

Table 1: Population breakdown for Gauteng 2022–2024

	2022	2023	2024	% Share
City of Tshwane Metropolitan Municipality	3 966 170	4 040 759	4 116 174	26,7%
City of Ekurhuleni Metropolitan Municipality	4 020 641	4 096 254	4 172 705	27,1%
Emfuleni Local Municipality	939 749	957 422	975 291	6,3%
Midvaal Local Municipality	112 142	114 251	116 384	0,8%
Lesedi Local Municipality	132 425	134 916	137 434	0,9%
Mogale City Local Municipality	433 931	442 091	450 342	2,9%
Merafong City Local Municipality	226 236	230 491	234 792	1,5%
Rand West City Local Municipality	335 843	342 159	348 545	2,3%
City of Johannesburg Metropolitan Municipality	4 694 290	4 782 571	4 871 831	31,6%
Total	14 863 449	15 142 937	15 425 521	100%

Source: Census 2022 and 2024 Mid-year estimates Statistics South Africa [own calculations]

The City is approximately home to more than 4,1 million people. It is also important to understand the age category of these individuals to understand what the population pyramid looks like, which allows for the visualisation of the pyramid across age and gender. This allows for a better understanding of the population structure and its development. Figure 2 depicts that a large band of young adults 15 – 34 (Statistics SA: 2010)[i] constitute approximately 36% of the male population and 35% of the female population. This bulge can be associated with a population boom or students enrolled in the City's higher education institutions or young migrants looking for better economic opportunities, the concerning factor about this is that depending on the birth rate, this could cause a further population explosion and a future burden on a large aging population, that would likely require more resource allocation for support. The single largest population age group is individuals between 30 – 34 accounting for over 405 000 people, roughly 10% of Tshwane's population. Lastly, it must be noted that the 0 – 4 age group is notably bigger than the other child groups indicating that population growth at this stage is still somewhat stable and the city isn't likely to face a population decline crisis. This however may change in the future.

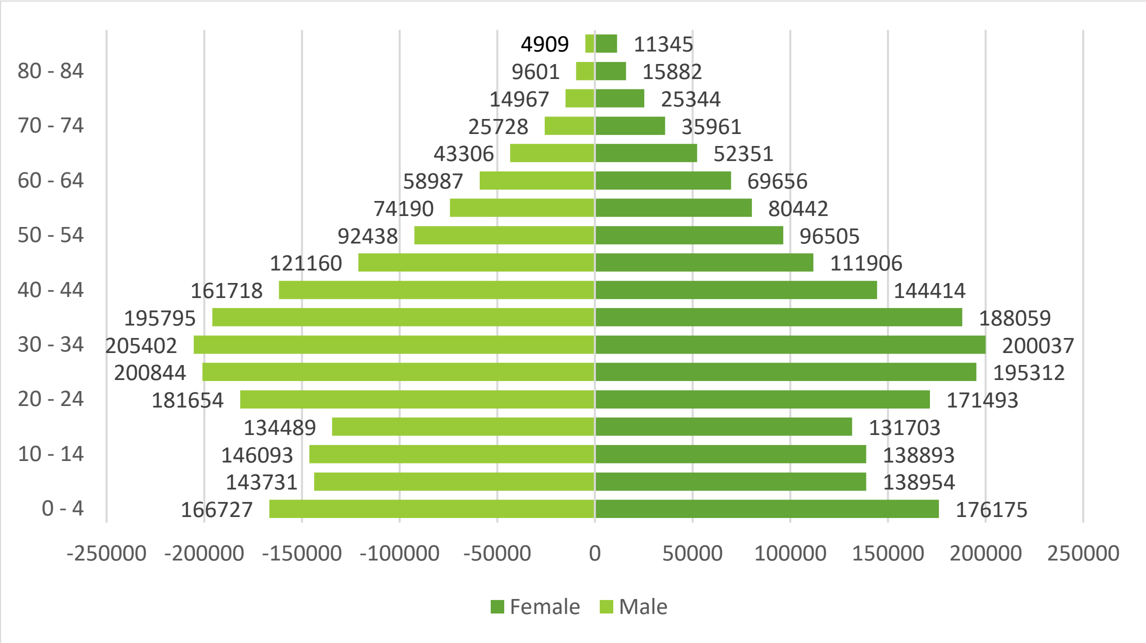


Figure 2: Tshwane Population Pyramid 2022
Source: Census 2022

When reviewing gender, age and population group breakdowns, it is noted that most residents in Tshwane are of African descent, with both male and female categories indicating a more than 80% share. This is followed by the white population with between 13 – 14% share and the remainder are split between those of coloured and Indian/Asian descent. At least 0,3% of respondents stated that they belong to another population group. (See Table 2).

Table 2: Tshwane population breakdown by age, gender and population group

	Black African		Coloured		Indian/Asian		White		Other	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
0 - 4	151 509	160 724	2 387	2 603	1 975	2 013	10 491	10 510	364	325
5 - 9	125 643	122 096	2 410	2 612	2 536	2 048	12 891	11 992	251	206
10 - 14	126 625	120 639	2 686	3 018	2 302	2 078	14 142	12 856	338	303
15 - 19	115 522	114 070	2 571	2 572	2 293	2 078	13 863	12 770	239	212
20 - 24	159 531	151 345	2 835	2 786	2 892	1 978	15 887	15 102	508	282
25 - 29	179 825	173 873	2 909	3 027	2 736	2 779	14 690	15 266	684	368
30 - 34	180 779	176 078	2 855	3 163	3 576	2 760	17 468	17 729	724	306
35 - 39	169 934	162 867	2 889	3 106	3 666	2 685	18 609	19 096	697	305
40 - 44	138 639	120 237	1 939	2 808	2 871	2 534	17 805	18 628	464	208
45 - 49	97 001	86 569	2 027	2 507	3 238	2 746	18 521	19 810	372	275
50 - 54	67 537	68 577	1 952	2 070	2 569	2 676	20 148	22 992	232	190
55 - 59	53 429	56 492	1 361	1 954	1 905	1 868	17 127	19 825	369	303
60 - 64	38 732	44 796	1 070	1 461	1 655	1 617	17 296	21 605	235	177
65 - 69	25 826	31 853	587	1 147	1 161	1 236	15 559	17 901	173	213
70 - 74	13 026	18 879	336	716	662	1 266	11 467	14 897	237	203
75 - 79	5 830	11 705	217	424	482	743	8 331	12 444	106	29
80 - 84	3 098	6 638	17	214	331	447	6 123	8 539	32	43
85 +	1 571	6 129	67	143	120	220	3 135	4 839	16	14
Total	1 654 058	1 633 564	31 116	36 332	36 971	33 770	253 555	276 802	6 040	3 964
Share	83,5%	82,3%	1,6%	1,8%	1,9%	1,7%	12,8%	13,9%	0,3%	0,2%

Source: Census 2022

As mentioned, Tshwane is host to many people and subsequently many languages. The most predominant language spoken in Tshwane (See Figure 2) is Sepedi, followed by Setswana, Afrikaans, Xitsonga, IsiZulu and then English. This shows the diverse nature of the residents and provides a likely indication of the vibrance of cultures in the capital city.

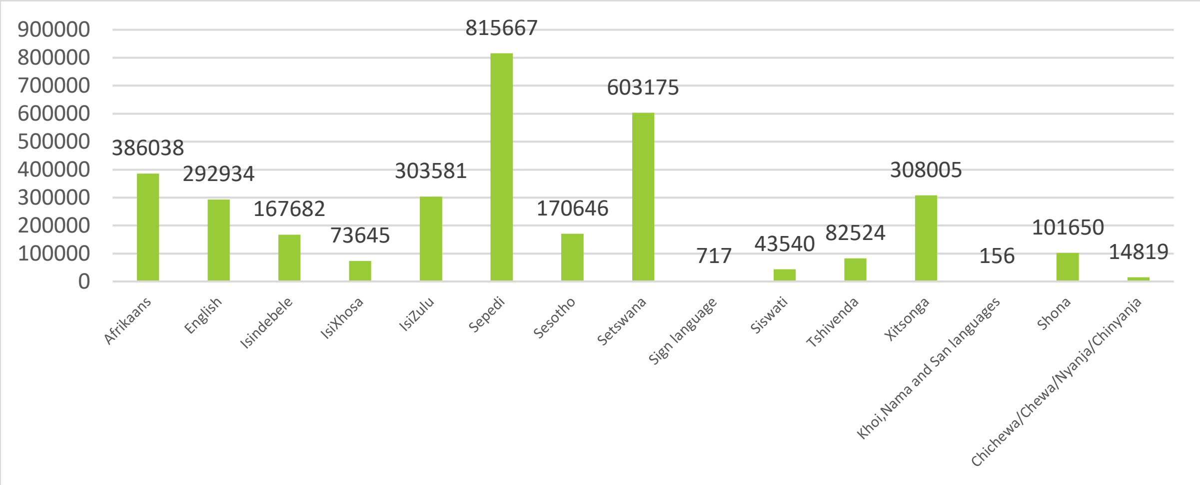


Figure 3: Tshwane Residents by Language
Source: Census 2022

The City has seven administrative regions and Table 3 outlines the share of each region with respect to population.

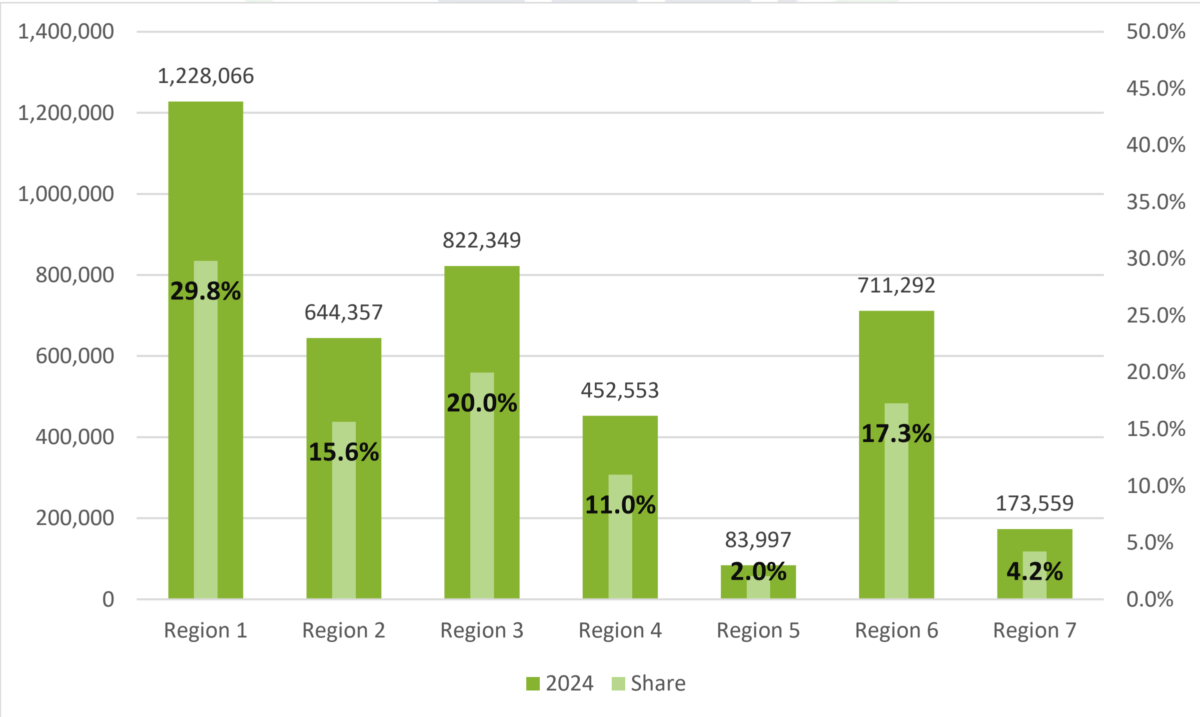


Figure 4: Regional Breakdown of population
Source: Quality of Life 7 GCRO, Census Midyear estimates 2024 Stats SA [own calculations]

According to the Statistics South Africa Census 2022, there are over 1.4 million households in the City of Tshwane. Taking this information into account and mapping it by population group, we note that most households are African (77%), followed by White and Coloured households with the smallest share of 2% being that of Indian or Asian households. The share allocation for other households was so small that when rounded off, they represented 0% and have therefore been excluded.

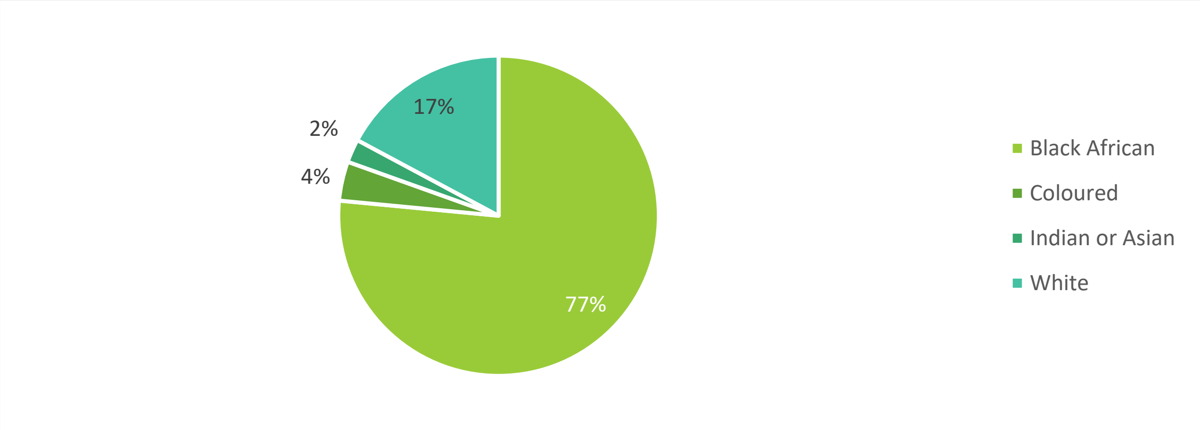


Figure 5: Household breakdown by population group
Source: Census 2022

2.1.1 Education

The City of Tshwane is known for its concentration of tertiary institutions and student population. Given this, it is important to outline comparative levels of education. The figure outlines the shares across Gauteng regions comparatively. Notably the highest share of residents with only a primary school education is in Merafong with the lowest values noted in Johannesburg and Mogale City at 6,7% and 7,1% respectively. Across all regions most residents only have a matric degree with Merafong having the largest share at approximately 85% of residents. When considering all tertiary qualifications, Johannesburg is ranked first, accounting for approximately 29% of residents indicating that they have a tertiary education. However, when looking at degree qualifications and post graduate education, we note that the City of Tshwane is ranked first with 11,4% of residents indicating that they have a degree or post graduate degree.

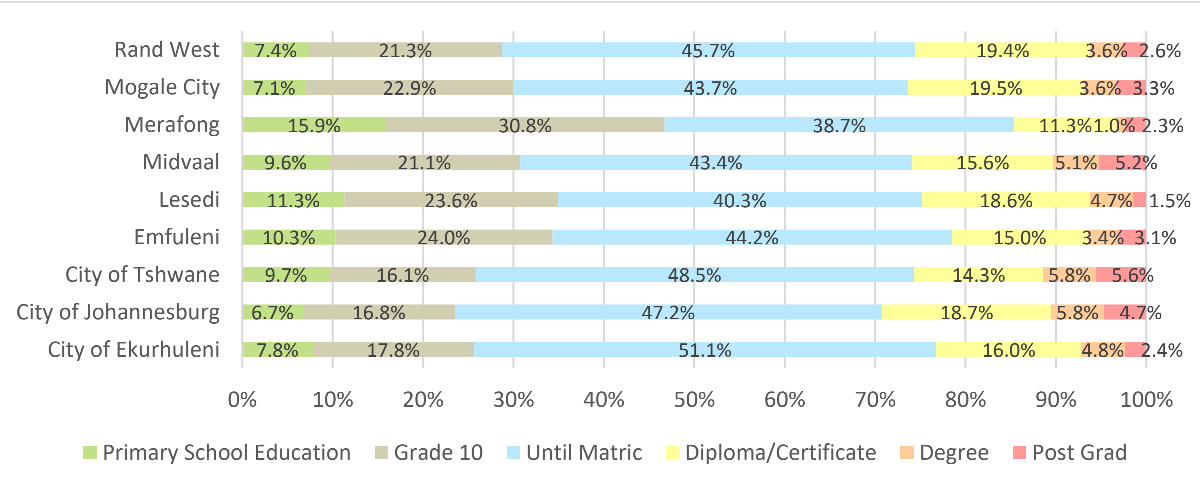


Figure 6: Education shares across Gauteng
Source: Quality of Life 7, GCRO

When reviewing the breakdown by race groups for the City of Tshwane, an interesting picture emerges. The largest share of residents that only have a primary school education is Black Africans (12%). Except for the Indian/Asian population group, all other races had a higher level of education than this. Both the

Black African population and the population group recorded as other have more than 50% residents recorded as having a matric certificate. It is noted that the largest group with tertiary education is white residents followed by coloured residents. The smallest recorded group for a tertiary education is Black residents, accounting for approximately only 20% of residents. It has to be noted that this trend holds true when considering degrees and post graduate degrees within the sample.

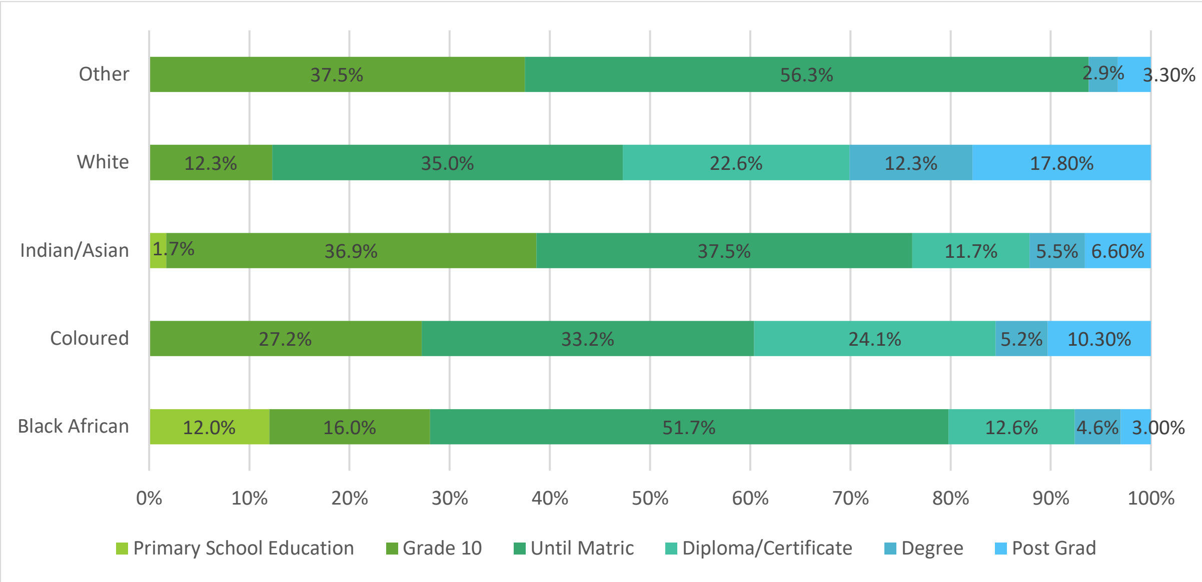


Figure 7: Educational breakdown by race
Source: Quality of Life 7, GCRO

2.1.2 Income and Cost of living and poverty

The South African economy has been experiencing minimal growth with rising input costs due to external shocks such as the Ukraine war. These impacts are often felt the most severely by end consumers. Thus, this section aims to discuss the issues around income and what impact the cost drivers have on the ability of people to earn livelihoods.

The first distinction that needs to be made is the relative income levels of residents across the province. The largest share of low-income residents (R1 – R800) is found in Rand West (6,3%). Amongst the three Gauteng Metros, the City of Johannesburg has the biggest share of low-income residents, followed by the City of Tshwane at 5,4% and 4,9% respectively. Across all regions most residents indicate that their monthly earnings are at most R12 800. By this measure the “poorest” municipality is Lesedi. Looking at the upper three categories, Midvaal has, proportionally, the biggest share of more affluent residents with one third of residents earning more than R12 800. This is followed by the City of Tshwane (23,7%), Mogale City (22,1%) and the City of Johannesburg at 20,5%. This is a very important point to take note of, as it outlines the basis for the following points being discussed. Despite Gauteng’s position as an economic powerhouse, the wealth benefits amass only to a few.

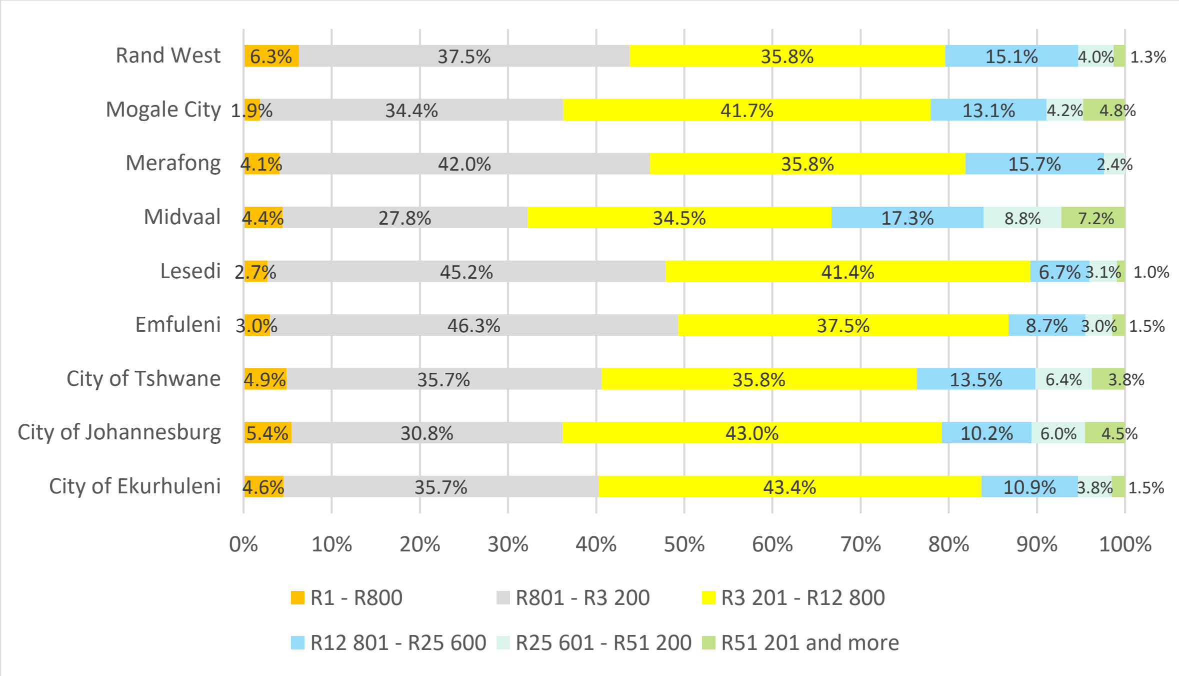


Figure 8: Monthly Income categories across the province by Municipality
Source: Quality of Life 7, GCRO

Looking at the income profile across the regions of the City, Region 4 has higher monthly income as compared to the other regions, with more than 50% of the residents in this region earning at least R12 800. This is followed by Region 3 (33,1%) and Region 6 (25%). These shares still indicate that a notable share of the residents in these regions could likely be facing challenges. But these regions are the wealthiest in the city. The poorest residents in the city are located in Region 2 with approximately 56% earning at most R3 200 a month, followed by Region 7 and Region 1 with 50,8% and 41,1% respectively.

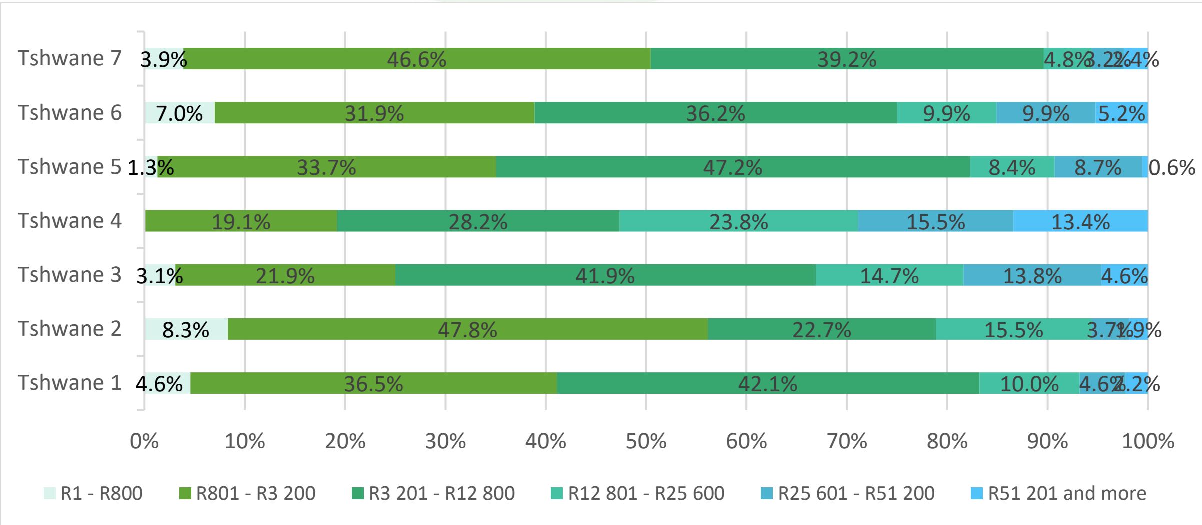


Figure 9: Monthly Income by Tshwane planning Regions
Source: Quality of Life 7, GCRO

When looking at race as a factor, residents in Tshwane who classified themselves in the other category, stated that 65% of them earn less than R 3 200. Furthermore, almost one in two Black African residents earns at most R3 200 a month. This is followed by Indian/Asian residents and Coloured residents at 21% and 18% respectively.

Black African (37%) and Coloured (31%) populations reported that a big share of their respective households earn between R3 201 and R12 800. This is followed by the white population at 25% and the Indian/Asian population at 11%.

Almost one in two Indian/Asian residents (49%) indicated that they earn between R12 801 and R25 600. Comparatively, 24% of Whites, 18% of Coloured and only 12% of Black Africans fall within this category. When looking at the highest income bands, it emerges that almost 50% of white residents earn at least R 25 601 (47%) and more. This is followed by coloured and other residents at 34%, Indians at 19% and Black Africans at 6%. respectively. It is noted that from the data, comparatively, Black Africans and Indians are “poorer”.

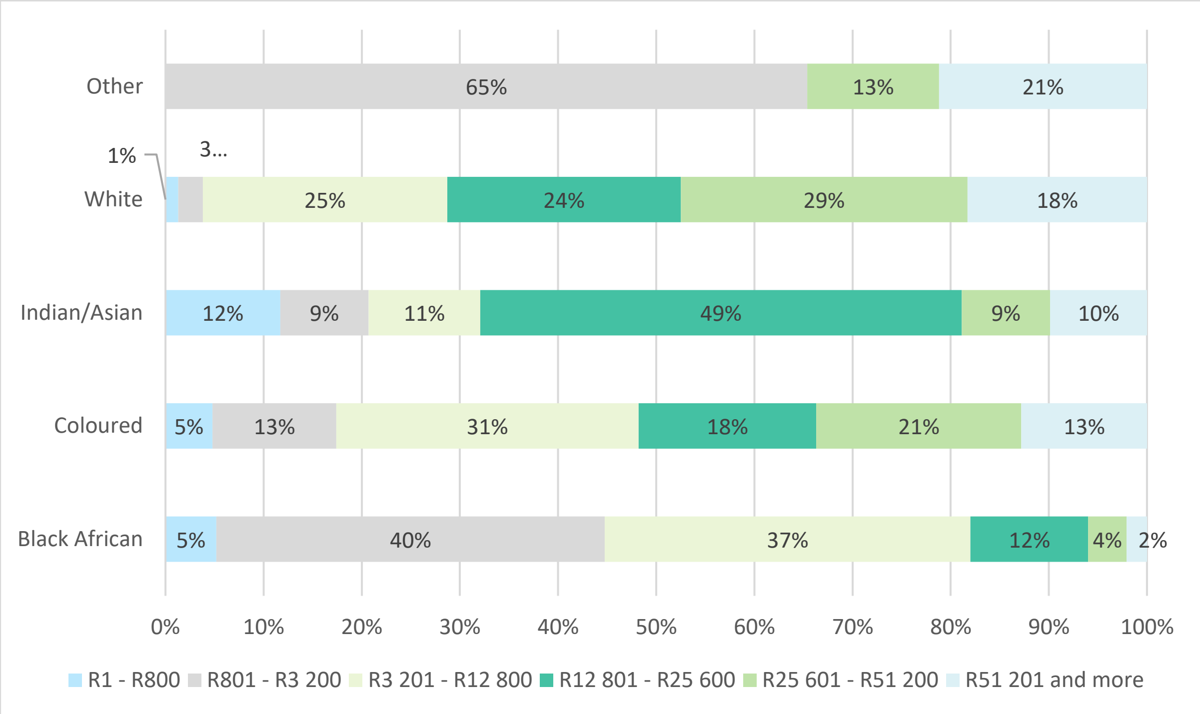


Figure 10: Monthly income by Race
Source: Quality of Life 7, GCRO

Housing statistics are a relevant indicator of possible economic welfare or vulnerability and/or poverty, using, among others, residence tenure as an indicator. Often, if someone is squatting or staying rent free, the likelihood that that household is in a lower income bracket is much higher than a household that has a bond or a household that owns a formal dwelling outright. Assets like these are considered a mechanism to create generational wealth and thus an important fact to consider.

According to Figure 11, it is noted that across the board all race groups own a notable share of their homes and they are fully paid off. The biggest share being recorded by black Africans (40%) and White residents (39%). What this doesn’t quantify is the size or value of the residence. The big share for Black African residents can be allocated to RDP housing. However, what is rather more indicative is bond access as this is a clearer indicator of households’ ability to access credit, which is an important measurement of financial inclusion. Here the picture is completely inverted with only 9% of black households having a bonded house, while White (31%) and Indian/Asian (25%) households were readily able to access credit facilities. Finally, it has to be highlighted that Black homes, as compared against all other race groups, have the biggest share of households staying rent free (22%). This is followed by Coloured households (10%). The gap between the groups is conspicuously noteworthy.

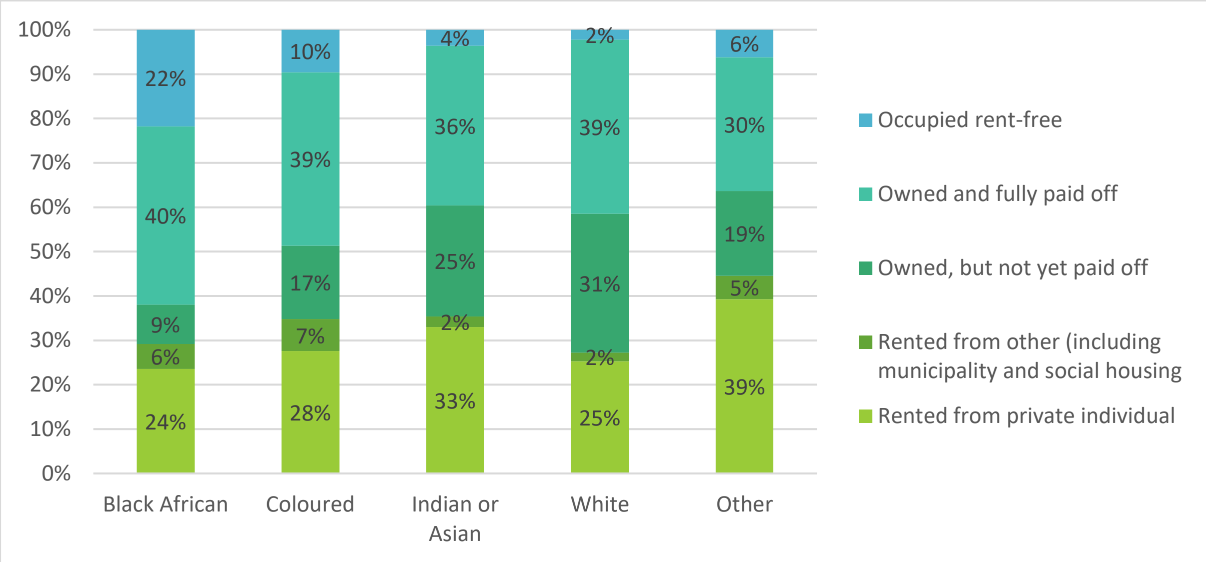


Figure 11: Residence Tenure in Tshwane
Source: Census 2022

One of the best ways to obtain an indication of indicative household income, is by looking at the number of rooms a household occupies. It is reasonable to assume that the more rooms a household can afford, the wealthier they are. The rooms exclude kitchens, bathrooms and toilets. The data reveals that the other category of resident households indicated that 85% of them live in a single room. This is followed by Black households (24%) and Coloured households (12%). Across the race groups homes with 2 to 3 living areas seem to be the norm. However, 52% of Coloured Households indicated that they at least occupy 4 rooms as well as 51% of White households. It has to be considered that whilst this is an indicator, there are other factors that can influence the value of the rooms, but this provides another metrics to gain insight into the living conditions of residents. What is certain is that, when taking Maslow's Hierarchy into account, households that have safe shelter can access higher levels of the hierarchyii.

Figure 12: Household rooms by race
Source: Quality of Life 7, GCRO

Access to social grants is an important aspect of the welfare of residents that are less affluent. The challenge arises when dependency on social grants becomes widespread. This data, while not considering the possibility of fraudulent access to social grants, is indicative that the cost of living is high and that cost pressures have driven households into poverty. What this highlights is that dependence on grants in Tshwane is at such a level (43,3%) that soon, one in two people will be dependent on the state in some way or form. Furthermore, the data shows that the biggest dependence is in Region 1 (58,3%), Region 2 (57,6%) and Region 7(54,2%)

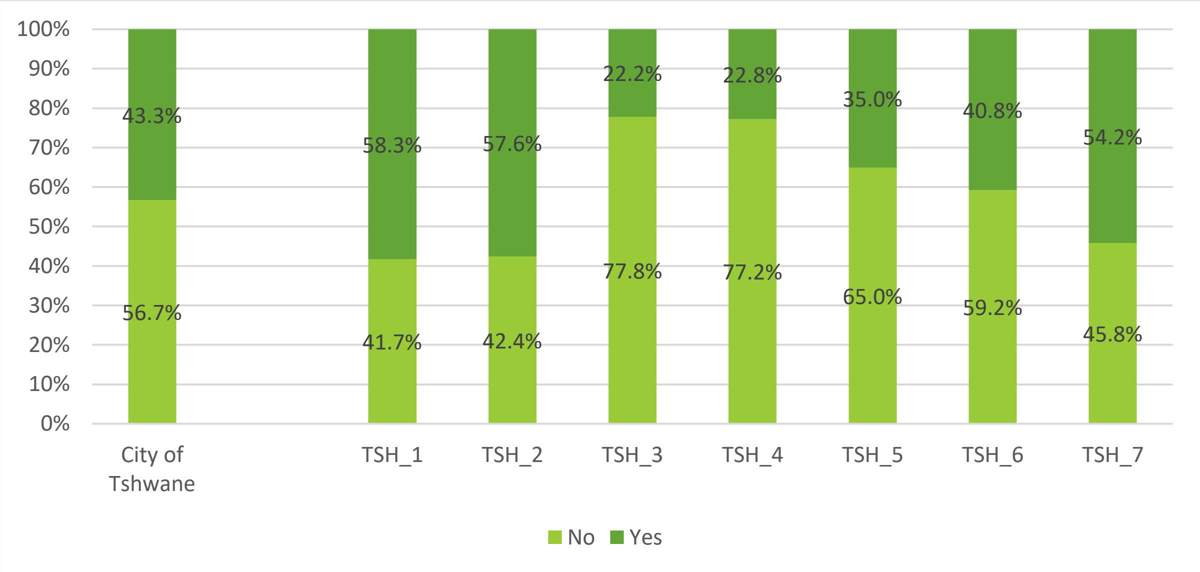


Figure 13: Social grant access across Tshwane Regions
Source: Quality of Life 7, GCRO

When considering access across all race groups, it is noted that almost one in two Black African households access a social grant (47%). This is followed by Coloured households (33%), White households (21%) and Indian/Asian households (19%). Interestingly the other race category indicated that they do not have access to grants. This could be accorded to the recorded individuals not qualifying for social grants or there could be some bias in the responses from these residents.

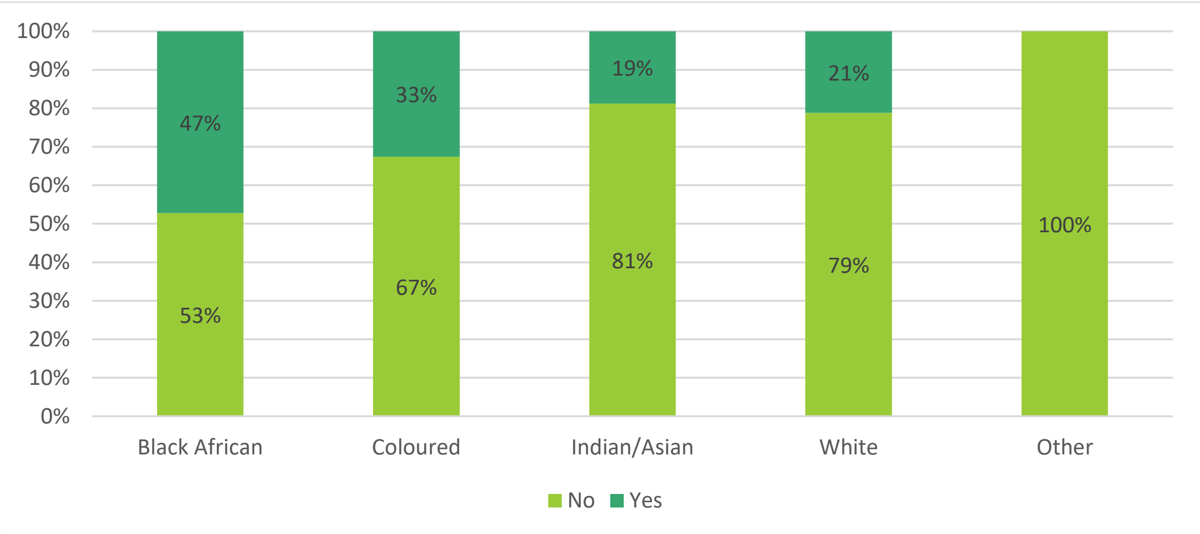


Figure 14: Social grant access in Tshwane by race
Source: Quality of Life 7, GCRO

Households are required to register with municipalities to qualify for free basic services. Indigent households receive services such as water, electricity, sanitation and refuse for free or at discounted rates. Across the city, there are households that need this assistance. Interestingly, Region 6 and Region 4 indicate the highest shares, each with 41% of residents on the indigent register and accessing free basic services. Overall, in the City almost 3 out of every 10 households make use of the indigent register. What is rather interesting, however, is that Region 2, which is a less affluent region does not have a big share of indigent households on the indigent register. This could be due to residents not qualifying or not knowing they can apply for help. Furthermore, what is contrary to expectations, is that Region 4 has a large share of indigent households as this is arguably one of the wealthier regions.

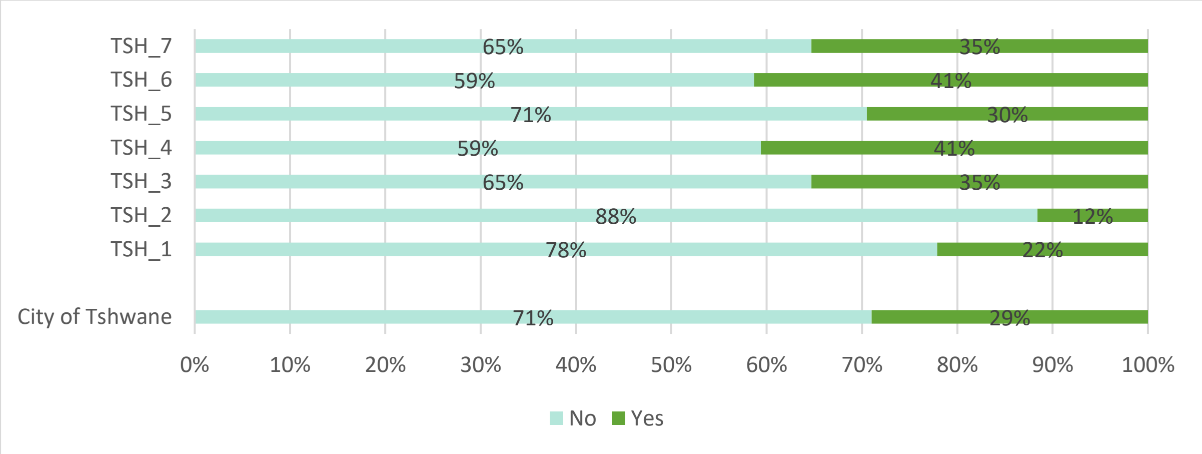


Figure 15: Indigent households share by Region
Source: Quality of Life 7, GCRO

Households need to eat and that is an important consideration. According to the Pietermaritzburg Economic Justice & Dignity Group (2024)iii, published in November 2024, household affordability index indicates that the average cost for a household food basket overall is R 5 361,04 per month and zero-rated foods account for more than half of that at R 2 855,87. Thus the concern is that households that earn below these thresholds, and subsequently spend below these averages, have to prioritise certain goods or forgo a healthy diet. Based on the data available, a very small proportion of residents in Tshwane are able to reach this expenditure level (13%), implying that 87% of residents in Tshwane have to make diet trade-offs each month, indicating varying levels of impact of this phenomenon, due to a cost-of-living crisis. Furthermore, based on food expenditure, Region 4 is by far the most affluent region in Tshwane.

Expenditure on transport is vital for various economic and leisure activities. Region 4 spends proportionally more on transport, with more than 50% of residents spending more than R 2 000 a month on transport. When looking at residents of the city overall, the trend is that 24% of them spend up to R 1 000 a month on transport, 36% spend between R 1 000 and R 2 000 and the remaining residents spend more than R 2 000. What is important is the proportion of spend based on income and that is what is discussed next

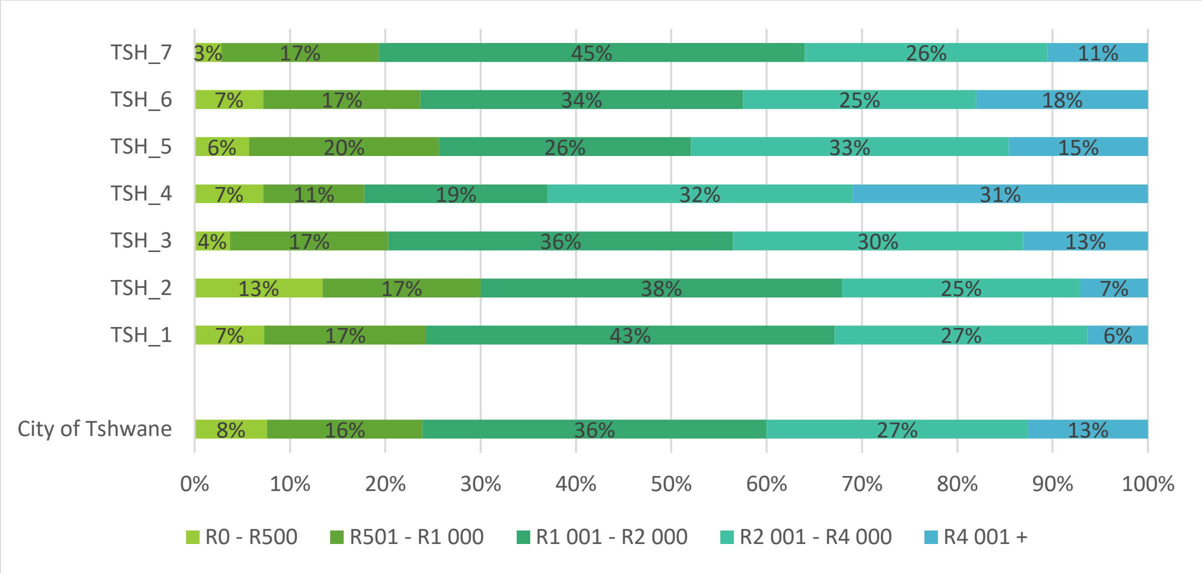


Figure 16: Monthly expenditure on food by Tshwane Region
Source: Quality of Life 7, GCRO

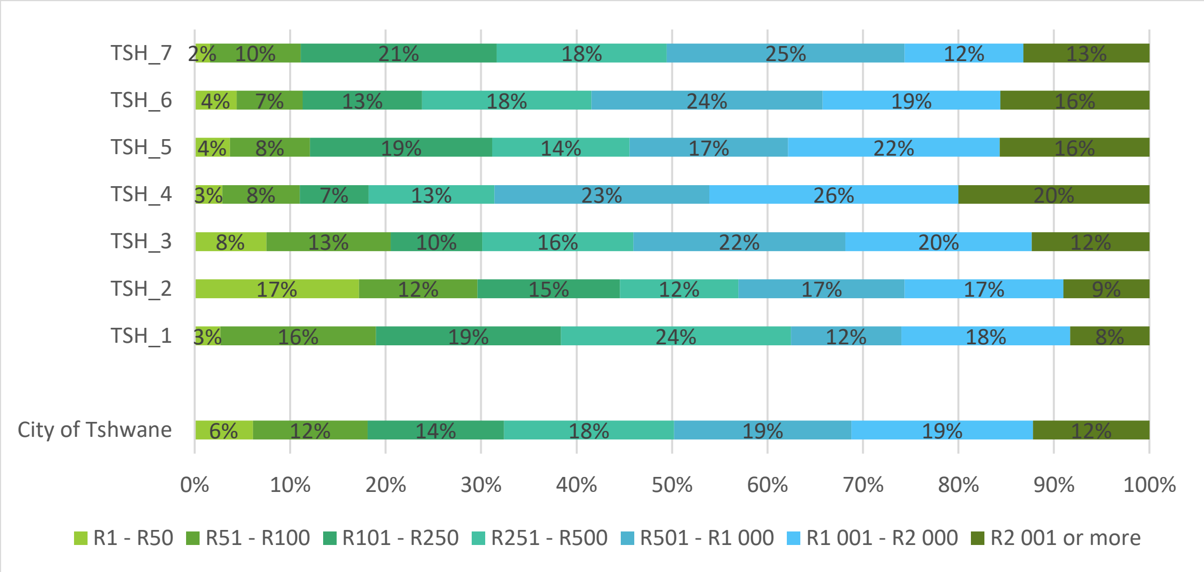


Figure 17: Monthly expenditure on Transport by Tshwane Region
Source: Quality of Life 7, GCRO

Table 3 outlines the median expenditure on food and transport combined across the city as well as the regions. This highlights the disproportionate burden that poorer households have to accommodate, just to have access to food and transport so that they can access economic opportunities. It is noted that both Region 4 and Region 7 show expenditures exceeding income and this could be due to undeclared income indicating the presence of bias in the data. When converting this information to a percentage, we see that on average, across the city (see Figure 17), 81% of black households' expenditure in the lowest income category is on food and transport. Notably, a smaller share of expenditure is observed for the other race groups namely, the coloured and Indian/Asian households. However, this share still exceeds 60% of their monthly income. Proportionally, one can observe that expenditure on food and transport, as a share of maximum income becomes less as income increases, which leads to a very important conclusion. The cost of living crises hurts the poor the most.

Table 3: Median expenditure on food and transport across income categories

Income	City of Tshwane	TSH_1	TSH_2	TSH_3	TSH_4	TSH_5	TSH_6	TSH_7
R1 - R800	640	700	590	500	4000	700	650	2100
R801 - R3 200	1400	1200	1570	1200	1050	1150	1550	1700
R3 201 - R12 800	2500	2500	2360	2500	2100	3500	2500	3300
R12 801 - R25 600	4000	4000	3500	3350	5600	4000	4000	4500
R25 601 - R51 200	6000	5500	7000	5300	6000	5600	5800	6000
R51 201 and more	7000	4500	6000	5600	7000	6500	7000	7800

Source: Quality of Life 7, GCRO

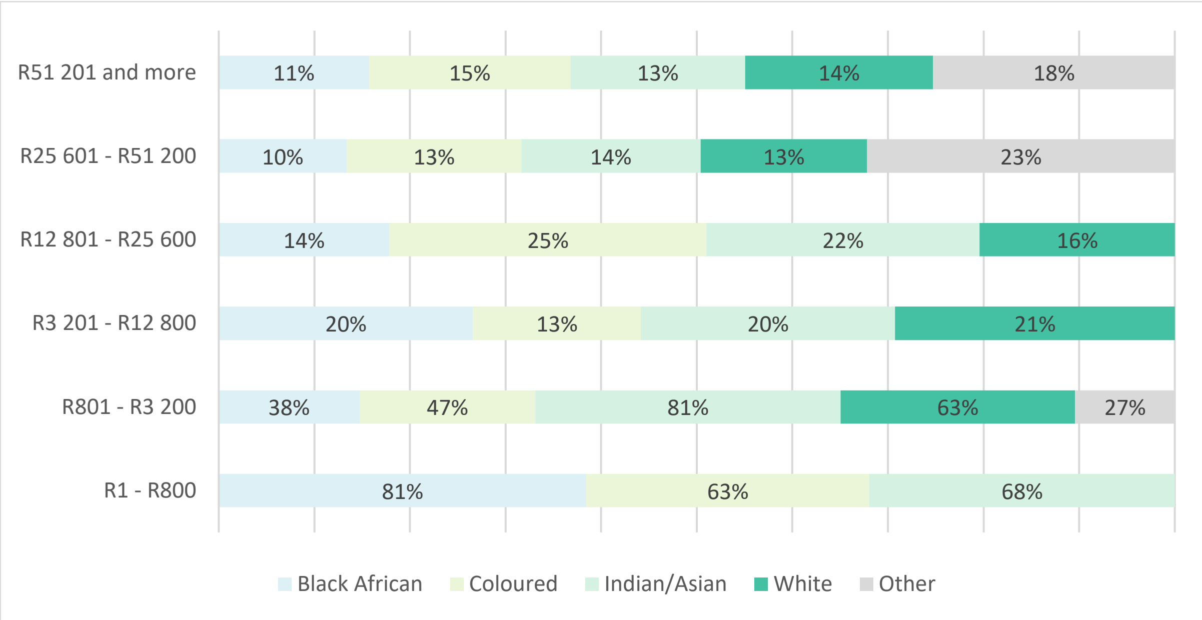


Figure 18: Percentage share of spend on Transport and Food
Source: Quality of Life 7, GCRO

Respondents were asked whether they had to skip a meal over the last 12 months due to insufficient funds. In Tshwane, 1 in 4 households had to do that, with the most prominent occurrences being in Region 2 (37%) and Region 1 (33%). It must however be noted that not a single ward was spared this reality, indicating that the problem is pervasive throughout the city. When looking at the data across race, again all race groups, except the other category, experienced this reality, with it being more prominent in Black (30%) and Coloured (17%) households than Indian/Asian (8%) and white households (7%).

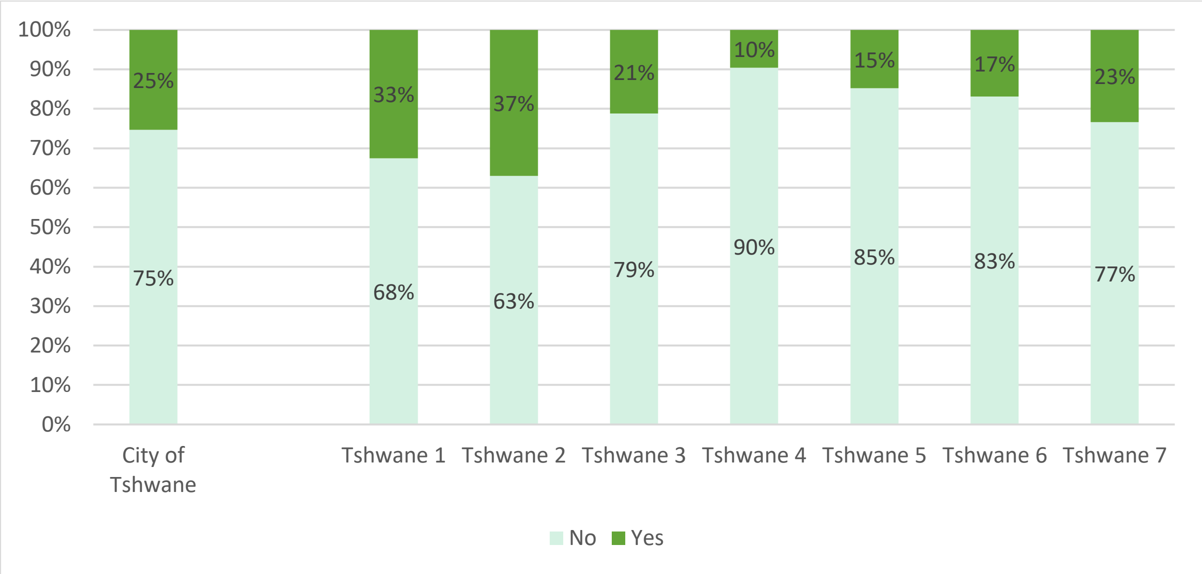


Figure 19: Prevalence of households skipping a meal across Tshwane Regions
Source: Quality of Life 7, GCRO

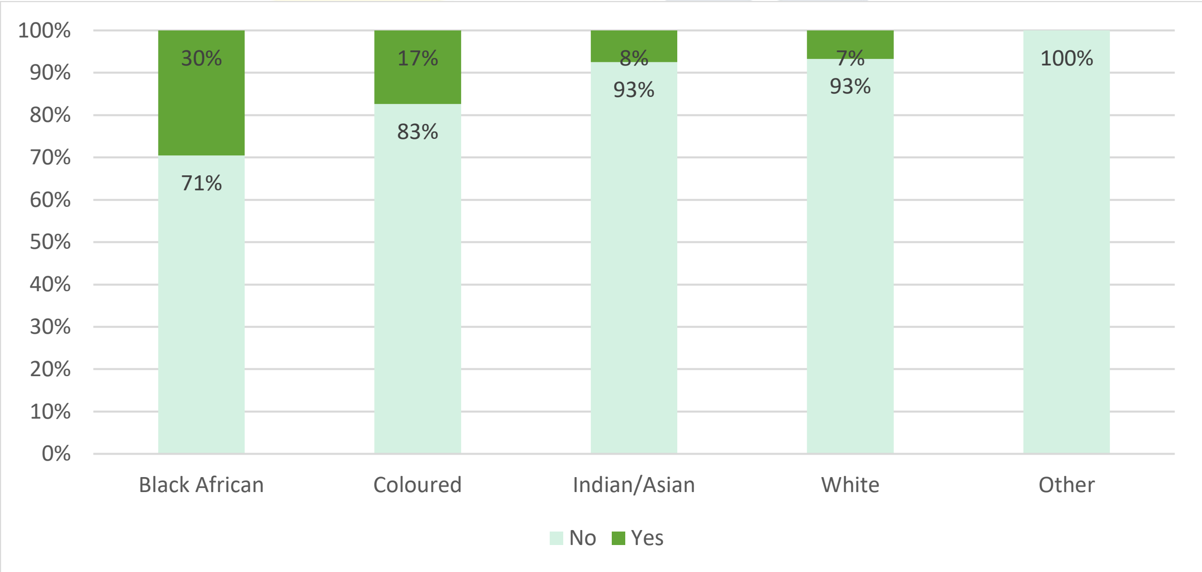


Figure 20: Prevalence of households skipping a meal across race
Source: Quality of Life 7, GCRO

Unfortunately, children weren’t spared this reality either. Approximately a quarter of black households indicated that a child went hungry over the last 12 months. This is followed by Coloured households (20%), White households (3%) and Indian households (1%). Approximately, just over 1 in 5 households had a child skipping a meal in Tshwane, with the lowest prevalence being in Region 4 (5%) and the highest, in Region 1 (28%).

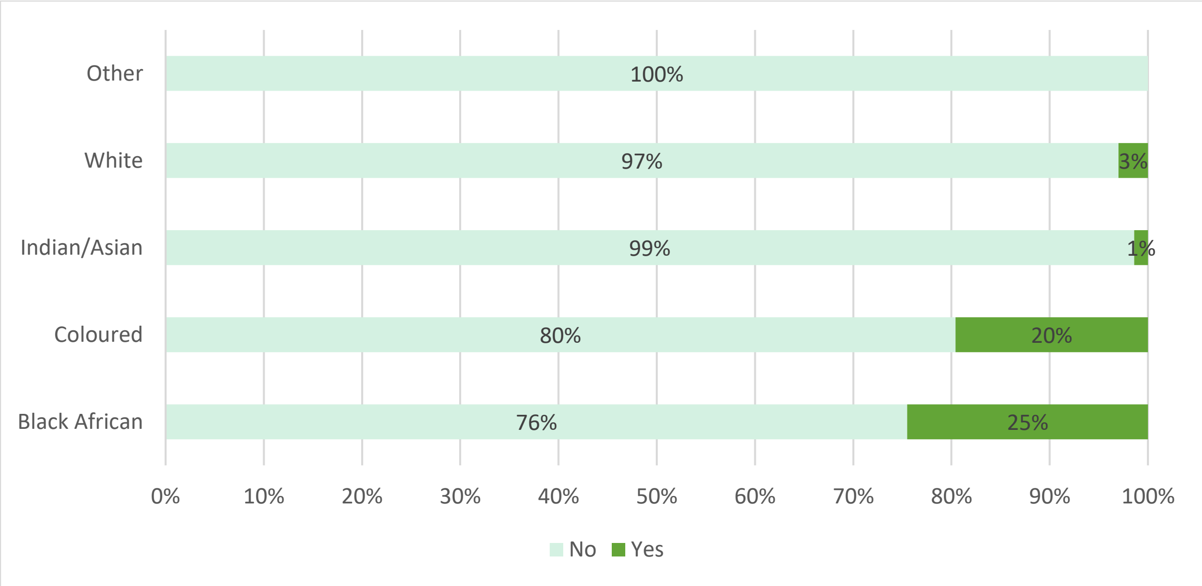


Figure 21: Child going hungry across race
Source: Quality of Life 7, GCRO

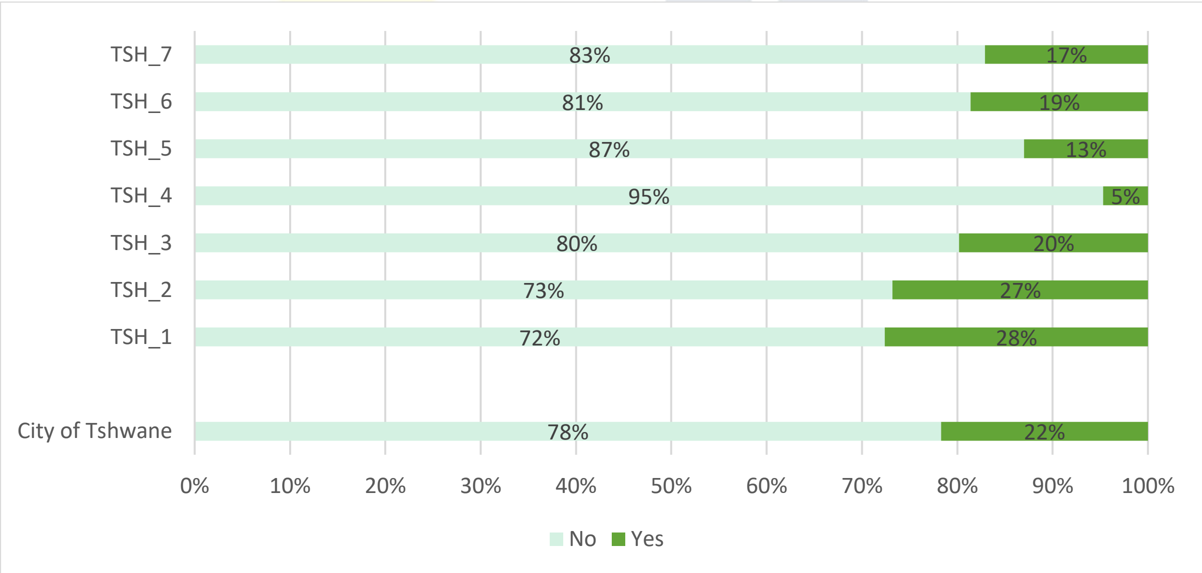


Figure 22: Child going hungry across regions
Source: Quality of Life 7, GCRO

From this data, it is clear that the severity of the Cost-of-living crisis is felt by all residents of Tshwane, albeit at different intensities. The problem is thus systemic. Despite the loadshedding crisis having been dealt with since early 2024, the fact remains that loadshedding and its myriad adverse impacts on livelihoods was felt by all throughout the country and as a result, throughout the City of Tshwane. This had been the case for approximately the last 16 years. Loadshedding harmed the economy. In 2017, based on the City of Tshwane's analysis, an hour of load shedding cost the city R 132.7 million in real GDP and it cost the South African economy 0,05% of real GDP each time there was load sheddingiv. Whilst this information is dated, it illustrates that there is a clear economic cost to Eskom's failure in the market. The South African Reserve Bank (2019,2)v posited the following:

"*The results show that as the intensity of load shedding increases, South Africa's real GDP growth decreases by a statistically significant 0,06%. The real GVA by all of the economic subsectors displayed a negative correlation to the intensity of load shedding, albeit not all statistically significant. Among the statistically significant relationships, the intensity of load shedding had the biggest negative impact on growth in the real GVA in the following sectors: agricultural (0,27%), mining (0,19%), electricity, gas and water (0,18%), manufacturing (0,09%) and transport (0,05%).*"

Given this, it is very important to mention that on average, between 2008 and 2023, the city's economy grew at approximately 1,87%[vi]. However, for the period 2018 to 2023, the city only grew at 0,3% per annum on average. This is likely due to the increase in load shedding and other shocks like COVID-19. Therefore, it is reasonable to conclude that from an economic performance stance, the city is hard pressed to be able to weather another economic shock. According to the Energy for Growth Hub (2023)[vii], there is a positive linkage between electricity and economic growth, with lack of access causing restraint in business development, job creation and profitability of businesses. This ultimately has a direct impact on macro-economic growth.

The Consumer Price Index (CPI) denotes the general increase in prices over a specified period, usually a year. According to Power Optimal (2021)[viii], Eskom's tariffs increased by 653% from 2007 to 2022, whilst over the same period, inflation increased by 129%.

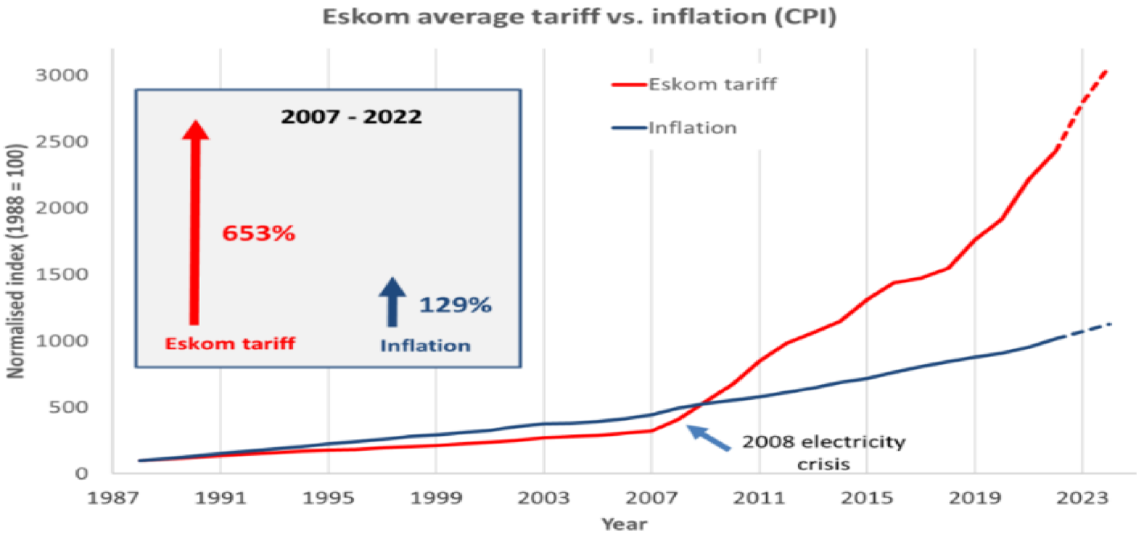
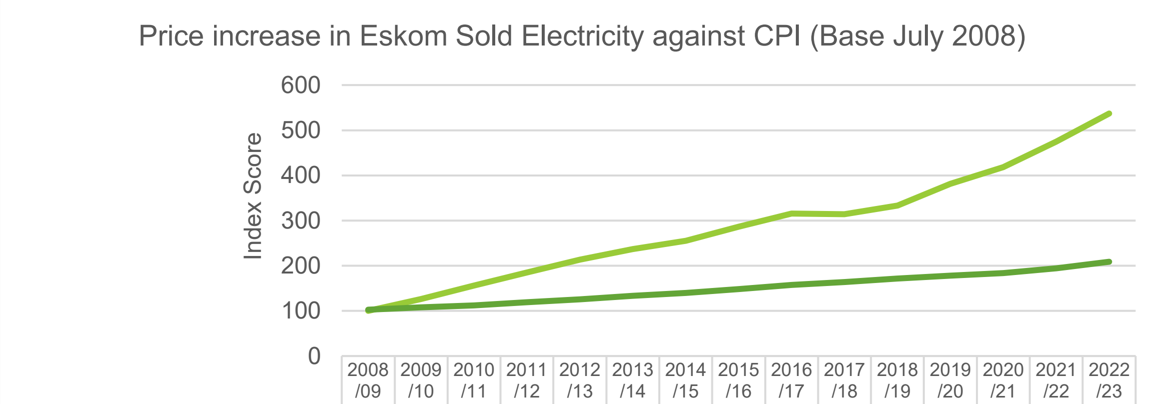


Figure 23: Eskom Tariff increases compared to CPI
Source: Power optimal 2021

Taking data on average, historical prices per kWh sold obtained from Eskom (2024)[ix] and historical CPI data from Stats SA (2024)[x], with the base being adjusted for the start of the period in 2008, it shows that on average the cost of a sold unit of electricity increased by 437% from an index score of 100 to 537, whilst CPI only increased by 103%.



	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Eskom price sold electricity	100	127	156	185	213	237	255	286	315	314	333	381	419	475	537
CPI Increase	103	108	112	119	125	133	140	148	157	164	171	178	184	194	209

Figure 24: Comparison of Eskom average price data compared to CPI since start of Loadshedding
Source: Own Calculations

Table 4: Eskom Tariff Growth compared to CPI 2008–2023

	2008/09	2022/23	Growth
Eskom price sold electricity	100	537	437%
CPI Increase	103	209	103%

Source: Own calculations

Over and above the electricity crisis, there has also been a notable increase in fuel costs. This is an important factor to note, as fuel is the resource that enables the transportation of goods and people. Therefore, this increase has a direct impact on the welfare of people. According to Stats SA (2021)xi, one third of fuel prices are made up of levies and taxes, with the Road Accident Fund Levy having increased by 425% since Jan 2008, followed by the general fuel levy (225%) and the basic fuel price (119%).

These increases put pressure on businesses and families alike and there is likely to be a disproportionate impact on poorer households. They are not immune to these tax increases because, despite their propensity to consume VAT zero-rated goods, these costs affect all goods and thus hurt poorer consumers more severely. Concerning the real disposable income of households in the city over the same period, which increased by 37%, despite the cost drivers far exceeding this growth in income, with the effect that households were getting poorer over time.

Table 5: Growth in Disposable income 2008–2023

	Annual total disposable income (R million, constant 2010 prices)		
	2008	**2023**	**Growth**
Disposable Income	148734	203811	-
Index Score	100%	137%	37%

Source: IHS Regional Explorer

One of the key factors to ensure the continued functionality of the city, is residents' ability to pay their municipal bills. Thirteen percent (13%) of Tshwane residents indicated that they are unable to pay their municipal bills and that they are in in arrears. When looking at the same information by race cross section, it emerges that 17% of black households are in arrears, followed by Coloured (15%) households. Indian/Asian homes have a 5% default rate and White homes have a 3% defaulting rate.

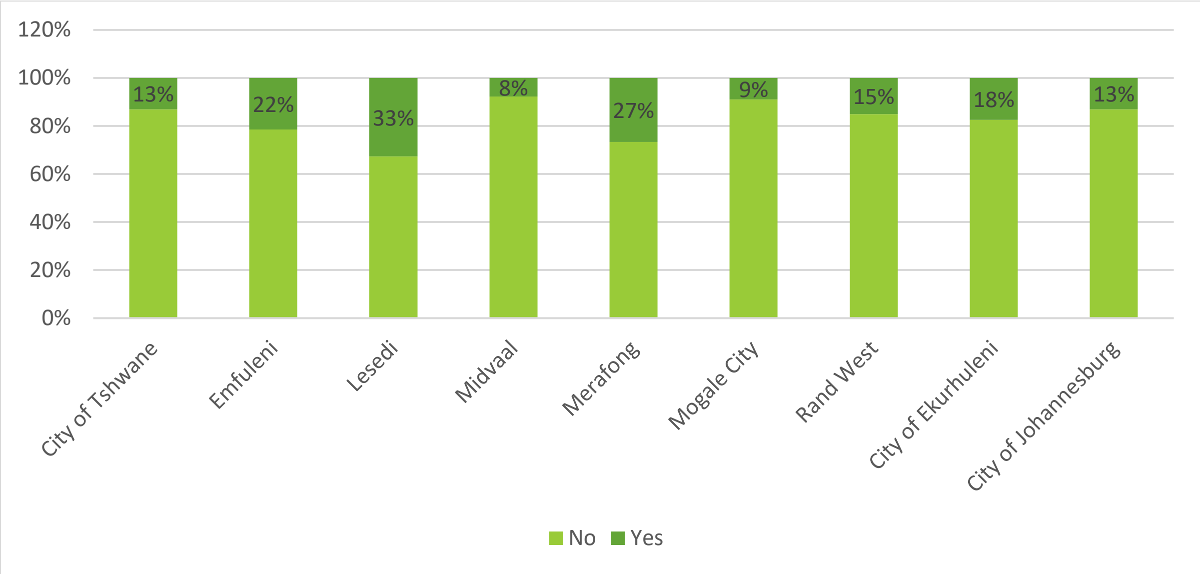


Figure 25: Arrears Municipal account across regions Tshwane
Source: Quality of Life 7, GCRO

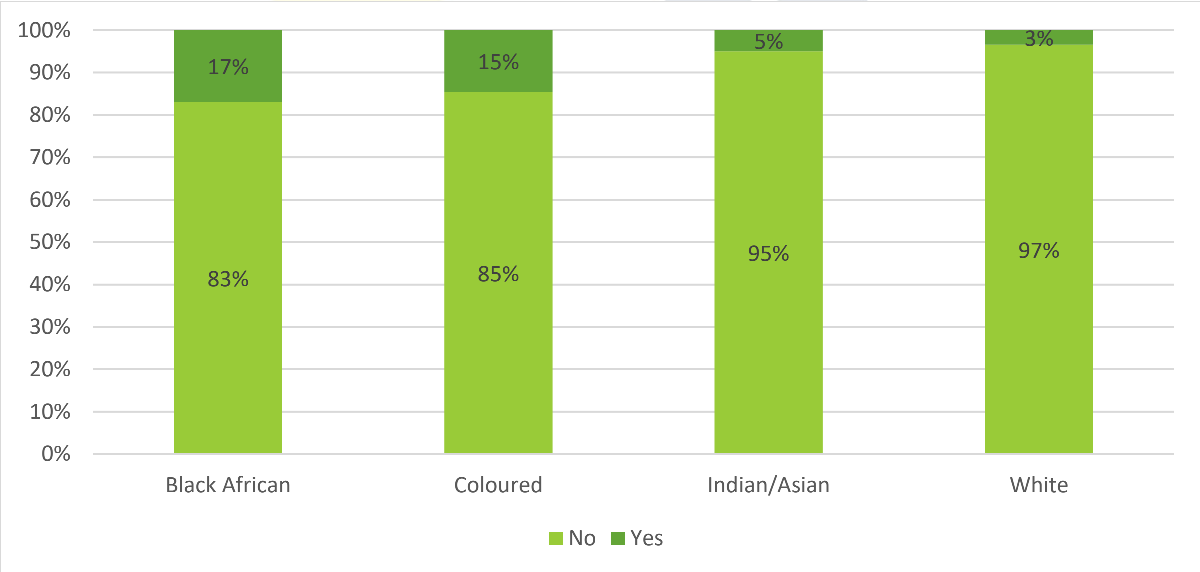


Figure 26: Arrears Municipal account across race groups
Source: Quality of Life 7, GCRO

Households were asked for a reason as to why they are defaulting and most respondents stated that they cannot afford to pay (67%). This was followed by 19% claiming a dispute, 7% stating that they do not receive a bill and 5% stating that they are not paying because they are unhappy with the services rendered. The remaining 3% is equally split between residents believing it should be free and those claiming that others aren't paying, therefore they should also not pay as well as those that claim that the payment system is not working.

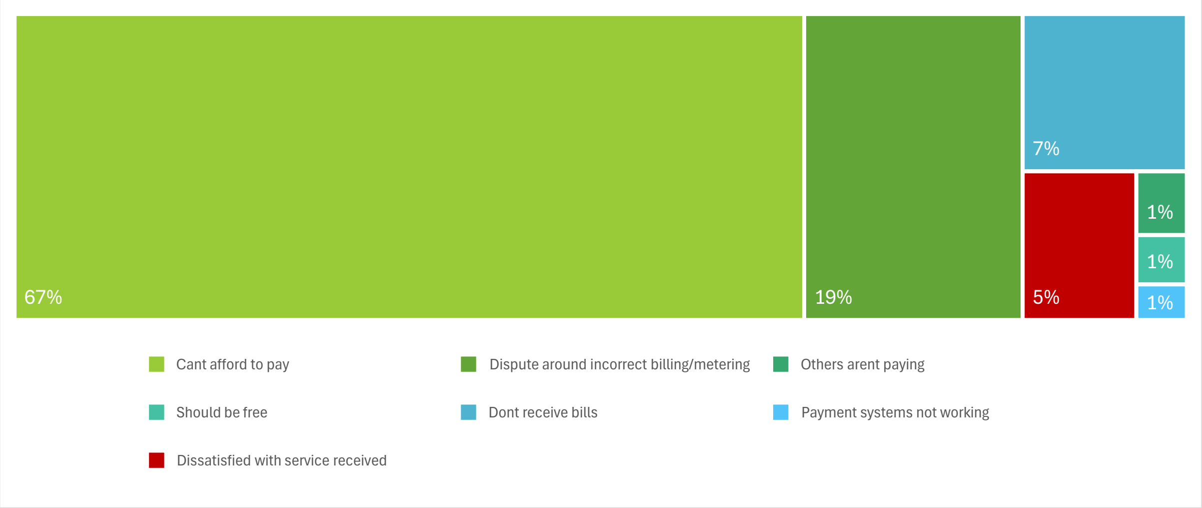


Figure 27: Reasons for non-payment
Source: Quality of Life 7, GCRO

When Residents were asked about their level of satisfaction with the cost of municipal services and billing, 61% of residents responded that they were dissatisfied with the cost of services. The highest recorded level of dissatisfaction recorded is in Region 2 and Region 1, with 70% and 68% of residents stating that they were dissatisfied with the cost of services. Only Region 4 and Region 7 have satisfaction in excess 50%. Figure 28 highlights regional satisfaction with billing. Overall, billing satisfaction in Regions 4 and 7 is above 50%, with Regions 1, 2, 3, 5 and 6 having the lowest satisfaction scores. Overall, approximately only 4 out of 10 households are satisfied with their billing.

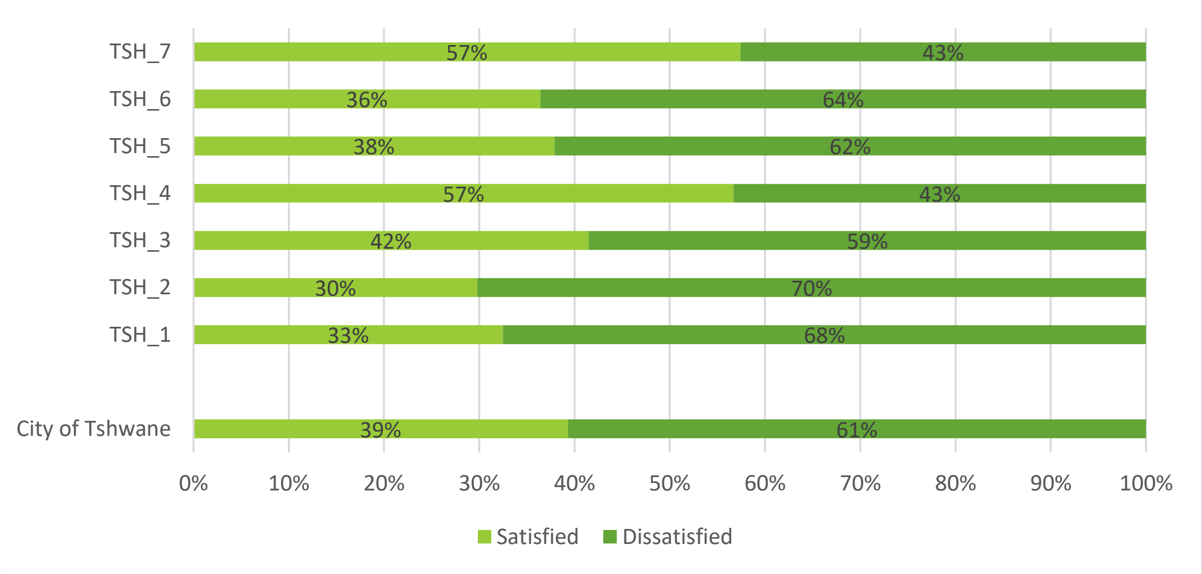


Figure 28: Municipal Cost Satisfaction across Regions
Source: Quality of Life 7, GCRO

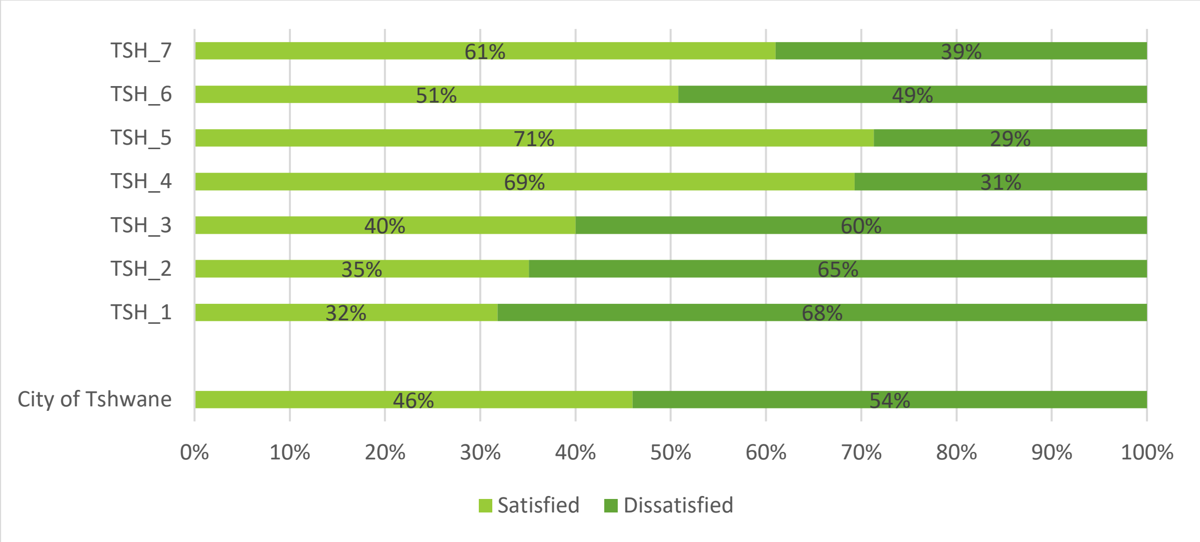


Figure 29: Billing Satisfaction across Regions
Source: Quality of Life 7, GCRO

When considering billing and cost of service satisfaction, we see that the only population group that is happy with the cost of services is Indian/Asian households, with a satisfaction score of 75%. The majority of all other households are dissatisfied with the costs, with Black homes being the most dissatisfied. What emerges is Black and Coloured households are the most dissatisfied with billing at 63% and 69% respectively, whilst approximately only a third of White and Indian/Asian households are dissatisfied with their billing.

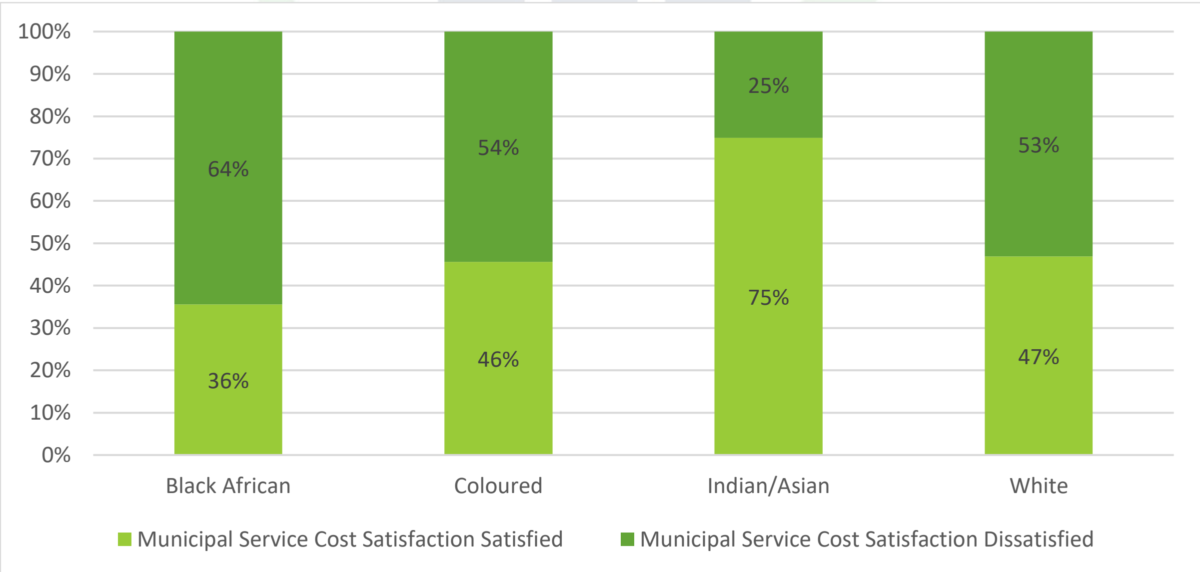


Figure 30: Cost of services satisfaction across Race
Source: Quality of Life 7, GCRO

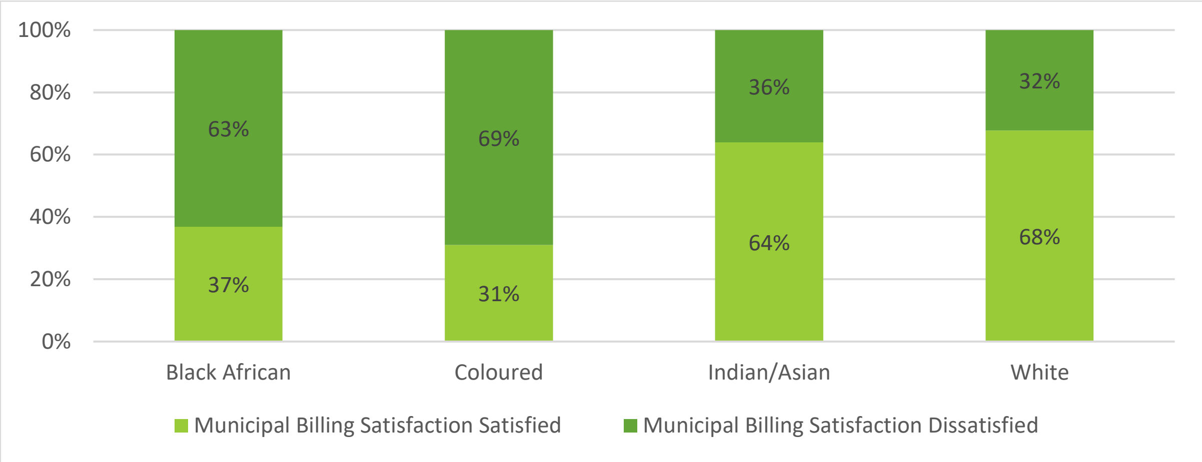


Figure 31: Billing Satisfaction across races
Source: Quality of Life 7, GCRO

Given everything that has been discussed so far, one would wonder how this translates into a measurement of poverty? Statistics South Africa (2023) outlines poverty in three measurements.

Table 6: Poverty Line

Poverty line	2023 line values
Food poverty line (FPL)	760
Lower-bound poverty line (LBPL)	1 058
Upper-bound poverty line (UBPL)	1 558

Source: Statistics South Africa 2023, P0310.1

- Food poverty line – R 760 (in May 2023 prices) per person per month. This refers to the amount of money that an individual will need to afford the minimum required daily energy intake. This is also commonly referred to as the “extreme” poverty line.
- Lower-bound poverty line – R1 058 (in May 2023 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households, whose total expenditure is equal to the food poverty line.
- Upper-bound poverty line – R1 558 (in May 2023 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose food expenditure is equal to the food poverty line.

Utilising these points and the Quality-of-Life 7 data, poverty shares are calculated.

- The resulting output shows that across the city, 41% of all residents are below the food poverty line, with 18% and 19% being below the lower and upper poverty bounds. Thus, 78% of residents are experiencing some level of poverty. Poverty across the city regions follows a similar trend to what has been observed with other variables, indicating Region 4 as better off than other regions, with 46% of households in this region not experiencing any poverty. Taking the same data and applying it across race, it emerges that all groups are exposed to poverty at varying severities with food poverty being the most severe in the Black (48%) and Coloured (24%) communities. Poverty is experienced by approximately 80% of black homes whilst comparatively, the second worst group is the Coloured households, at approximately 7 out of 10 households experiencing some level of poverty. Interestingly, White households in the city experience poverty at a higher rate than Indian Asian households, with approximately 4 out of every 10 households experiencing some level of poverty. Almost 70% of Indian/Asian households do not experience any poverty.

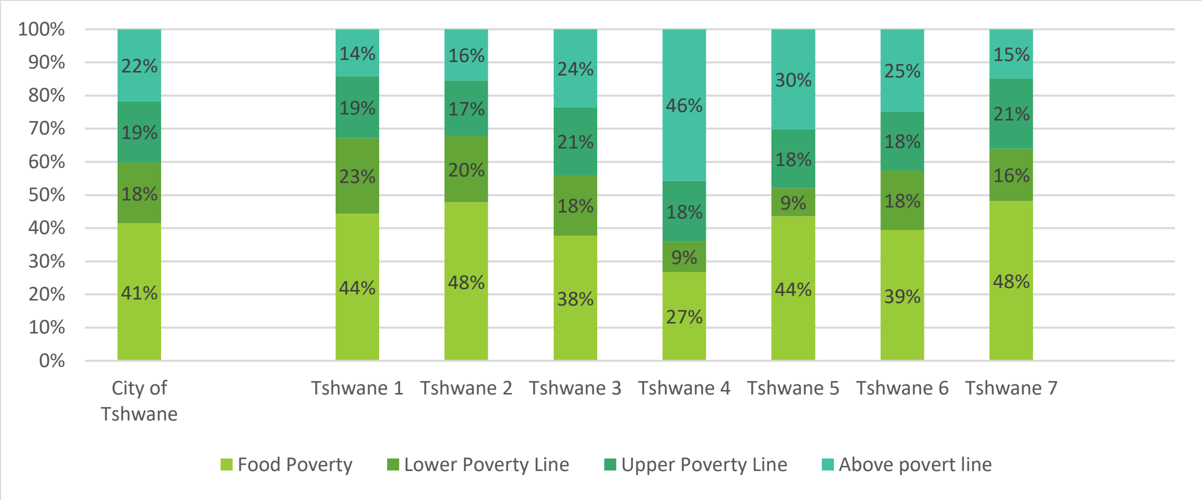


Figure 32: Poverty across Regions
Source: Quality of Life 7, GCRO

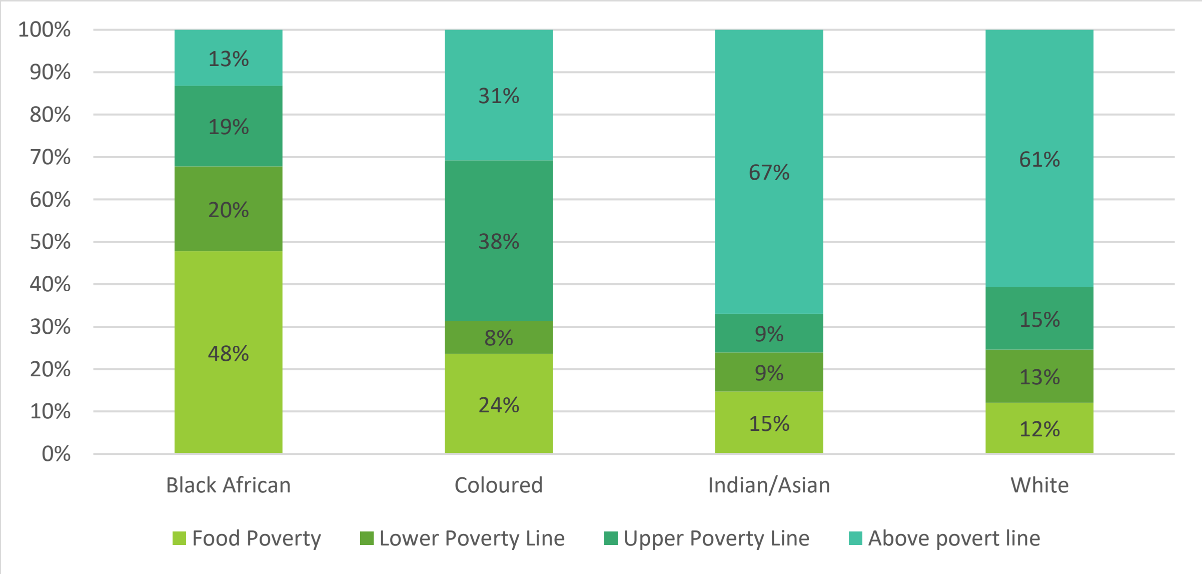


Figure 33: Poverty across Races
Source: Quality of Life 7, GCRO

2.2 Economics and labour

As an introduction to this section, it is prudent to share the following responses from the latest Quality of Life Survey of residents in Tshwane. According to the Survey, over 80% of the residents disclosed some form of dissatisfaction with government's ability to create initiatives that create jobs and grow the economy.

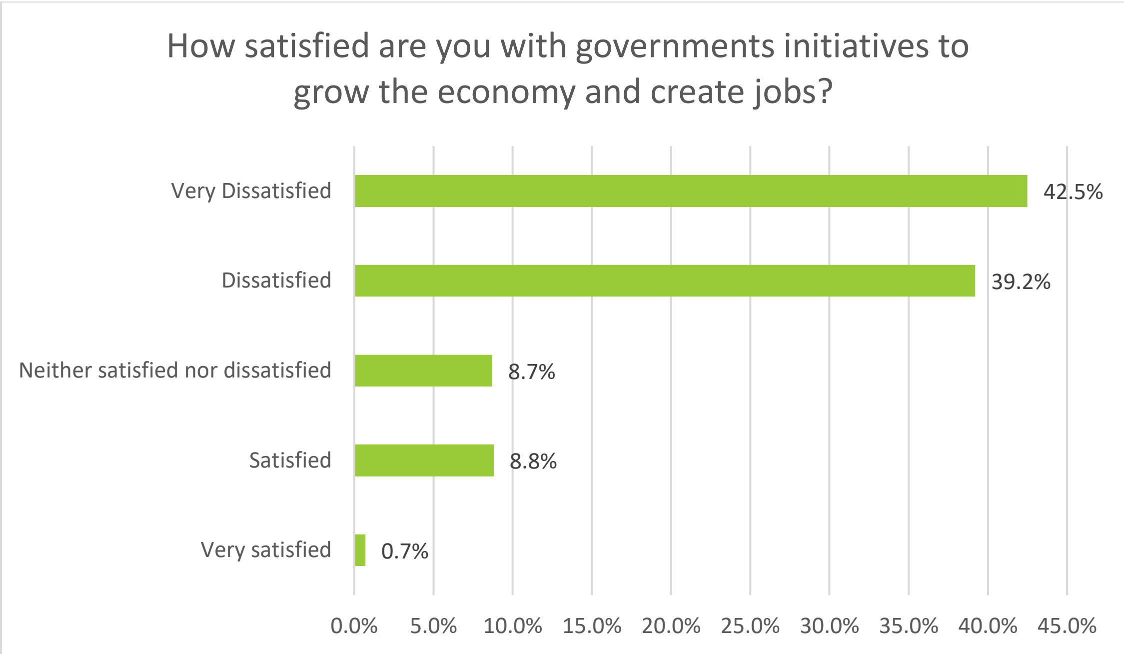
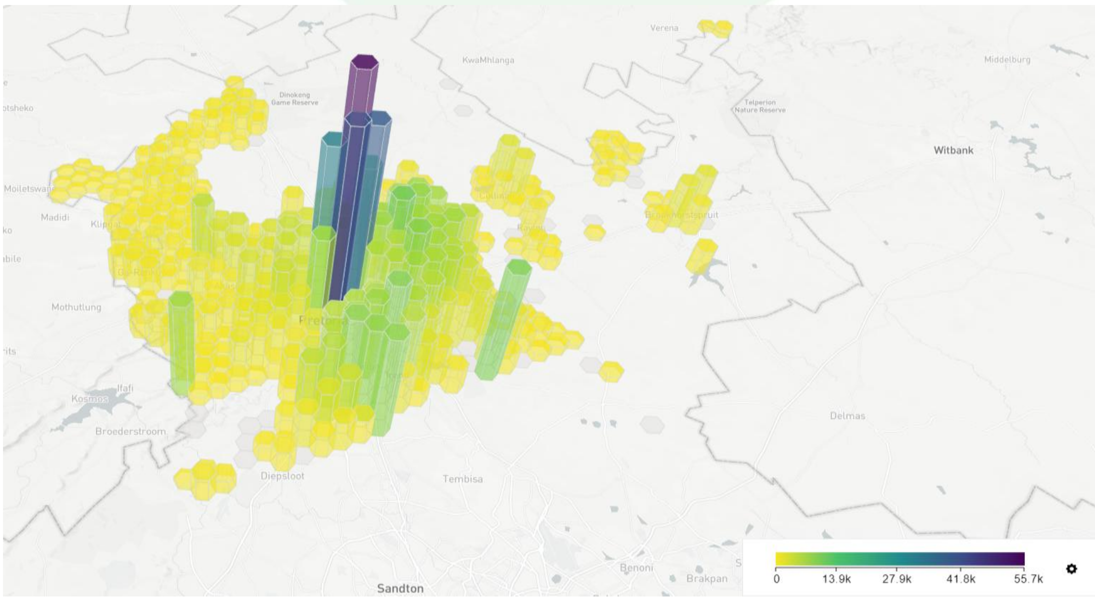


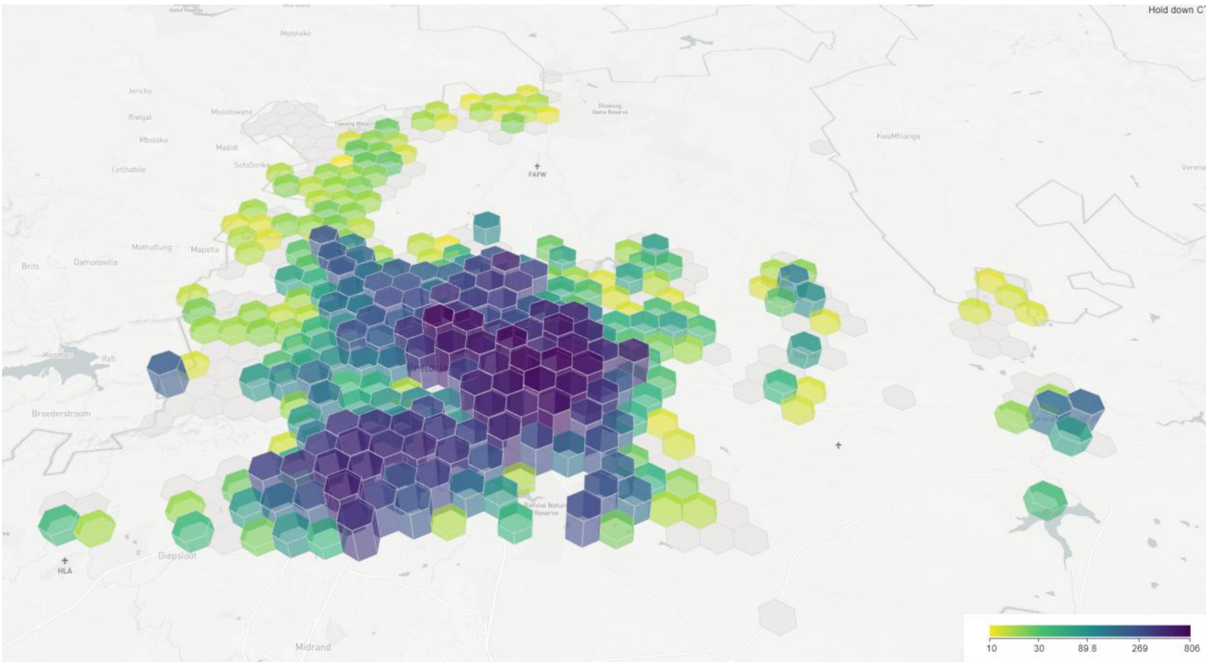
Figure 34: Resident Satisfaction with government's economic growth initiatives
Source: Quality of Life 7, GCRO

To get an overview of the nature of the city's economy, the spatial tax data portal for South Africa is utilised. The relative firm size, when using the full time equivalent employment rate, denotes the number of persons employed in formal jobs. This, as can be expected, would most likely be in formal areas as shown on the map. As recorded and observed from the map, one firm has been recorded as having 55.7k full time equivalent employees during the 2023 tax year, which indicates the relative size of businesses in the city.



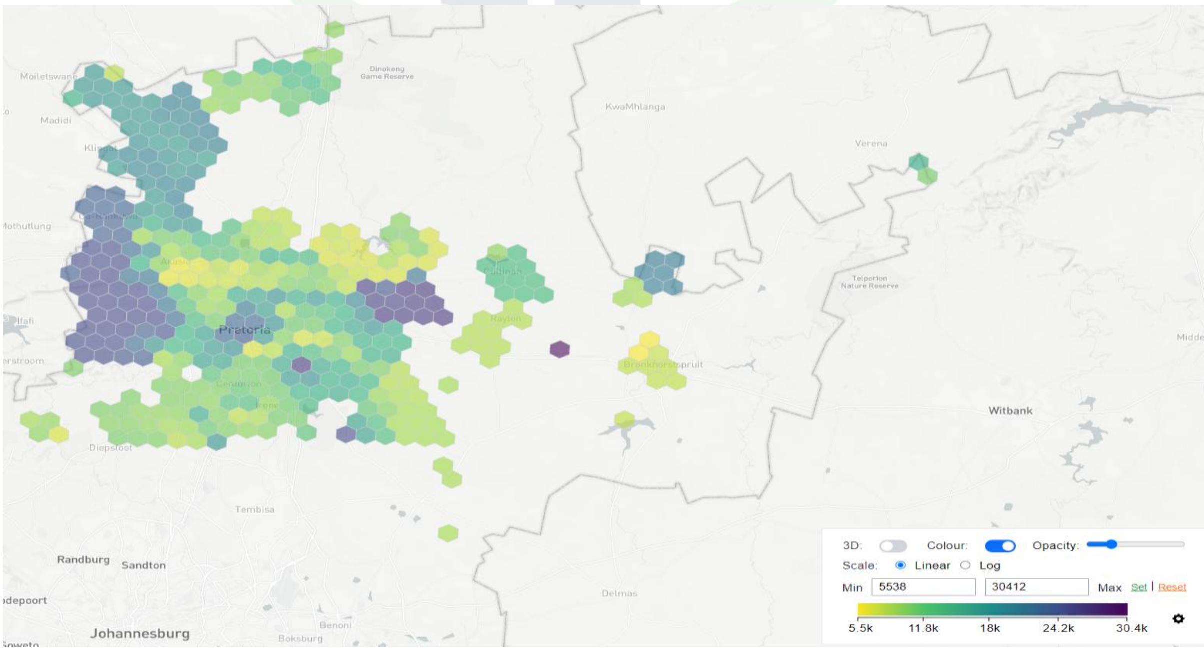
Extract 1: Map of FTE equivalent size establishments Tshwane 2023
Source: National Treasury - Cities Support Programme and Human Sciences Research 2024

When looking at formal establishments, it is also noted that these businesses are more concentrated in developed areas rather than underdeveloped areas.



Extract 2: Formal Business Concentration Tshwane 2023
Source: National Treasury - Cities Support Programme and Human Sciences Research 2024

The median income of registered taxpayers across the city reveals that there is wealth located in areas within the city that could not ordinarily be expected to possess such wealth. This is just a precursor of the importance of understanding the City's economy and the role that good policies can play in ensuring that the city leverages its strengths and works towards a goal that benefits all its residents.



Extract 3: Median Income for formally employed Taxpayers Tshwane 2023
Source: National Treasury - Cities Support Programme and Human Sciences Research 2024

2.2.1 Labour

The labour force of a country consists of all persons of working age (above a certain age and below retirement) that are participating as workers (i.e. people who are actively employed or seeking employment). This is also called the economically active population (EAP). People who are not included in this number are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work. The data shows that Tshwane's EAP has increased since Q4 2023 from approximately 2,75 million to 2,78 million.

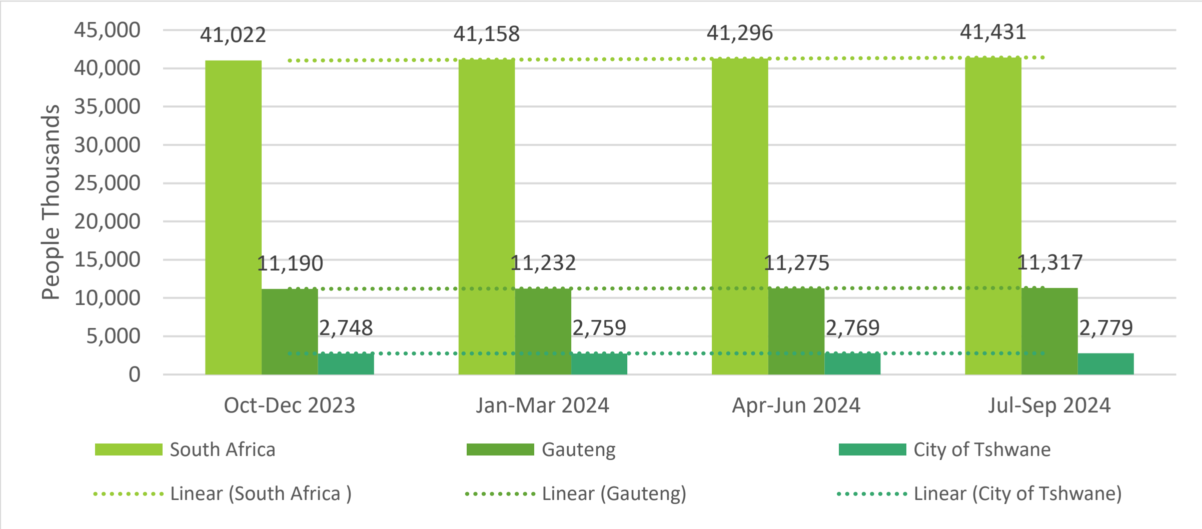


Figure 35: EAP National, Gauteng and Tshwane 2023 - 2024
Source: Quarterly Labour Force Survey (QLFS)

Looking at the economically active population across the regions, Regions 1, 2 and 3 enjoy the biggest share. This is in line with the population share of the City as these regions are relatively well populated. What is notable in Figure 36 is that EAP increased across the city, across all three years on year categories for each Region, except for Region 5 and Region 7, where the EAP remained relatively unchanged.

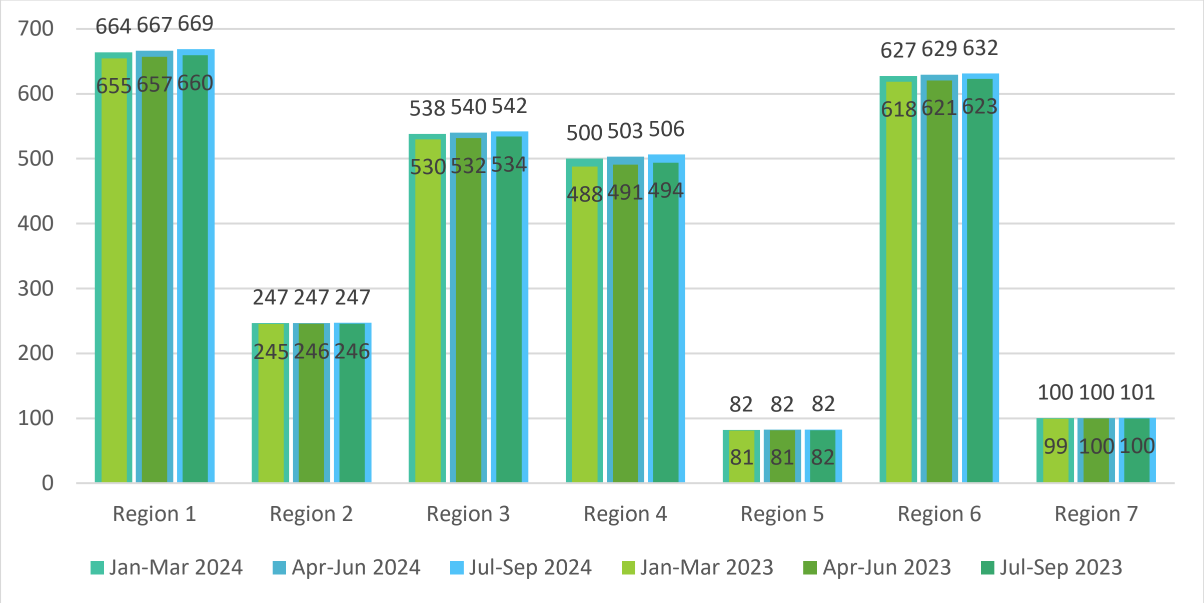


Figure 36: Year on Year change for EAP across Regions
Source: QLFS

When looking at the values depicted in Figure 37, Tshwane is estimated to account for 6,7% of the National EAP and just under a quarter of Gauteng's EAP. Nationally Gauteng accounts for 27,3% of national EAP.

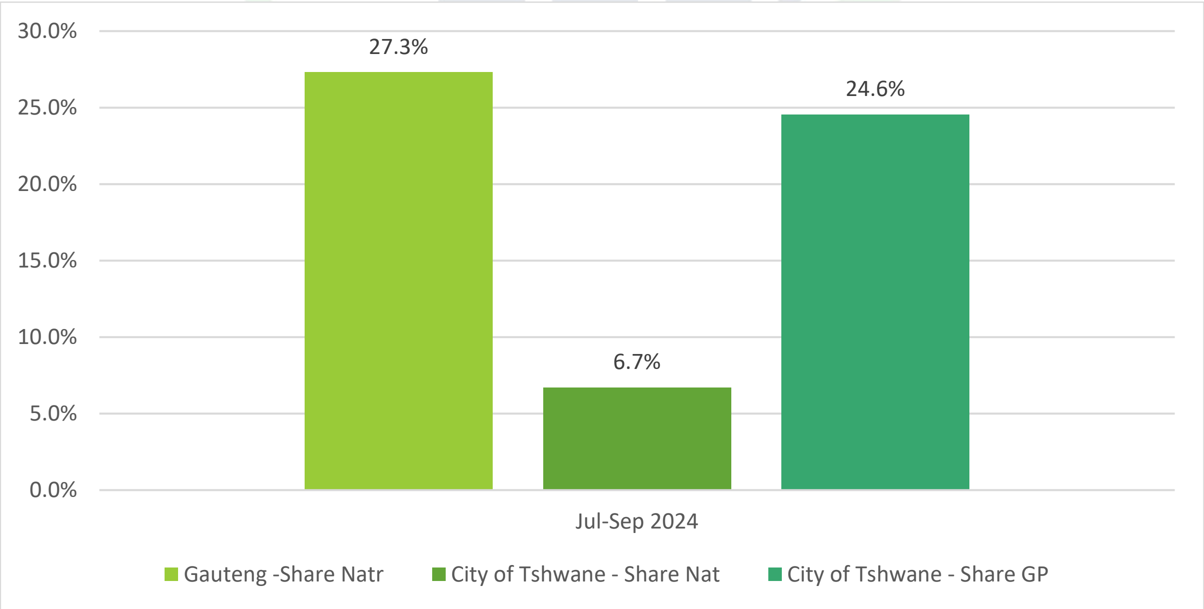


Figure 37: EAP Share 2024
Source: QLFS

Employment is important as it provides a base to understand the relative size of employed individuals as compared against the province, but it also provides a trend to see if new jobs are being created. Since Q1 2024, employment in Tshwane has increased from 1,27 million people to approximately 1,31 million people in Q3 2024. What is arguably more valuable to note is the fact that the share of provincial employment increased by 0,8% over the period. Another fact that is indicative of the relative importance of formal employment in Tshwane is the labour absorption rate. Figure 38 shows the labour absorption rate, which measures the ratio between the EAP and employment. The city's absorption rate over the period has increased as compared to the National and the Gauteng average, which have remained relatively unchanged. The City Labour absorption rate is better, indicating that the city has a better ability to create jobs than the National and Provincial average, which holds true with conventional economic theory around cities.

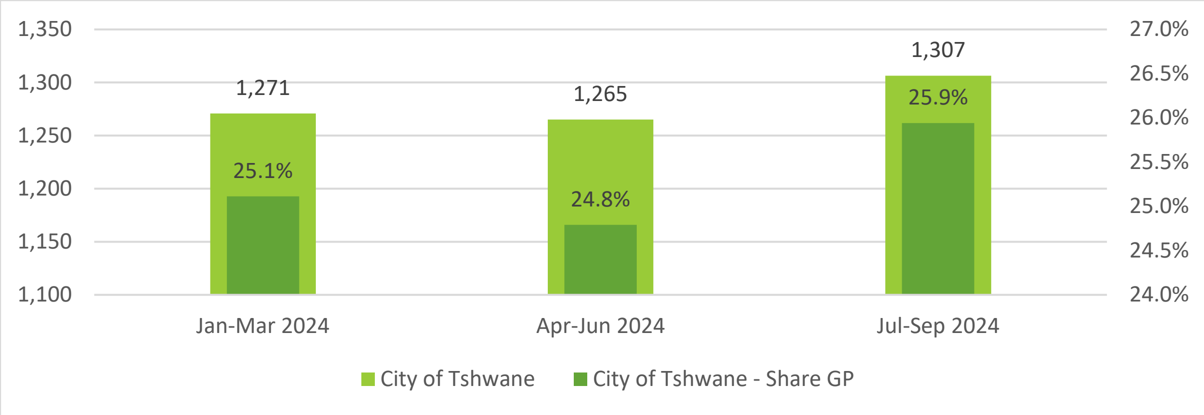


Figure 38: Formal Employment Tshwane
Source: QLFS

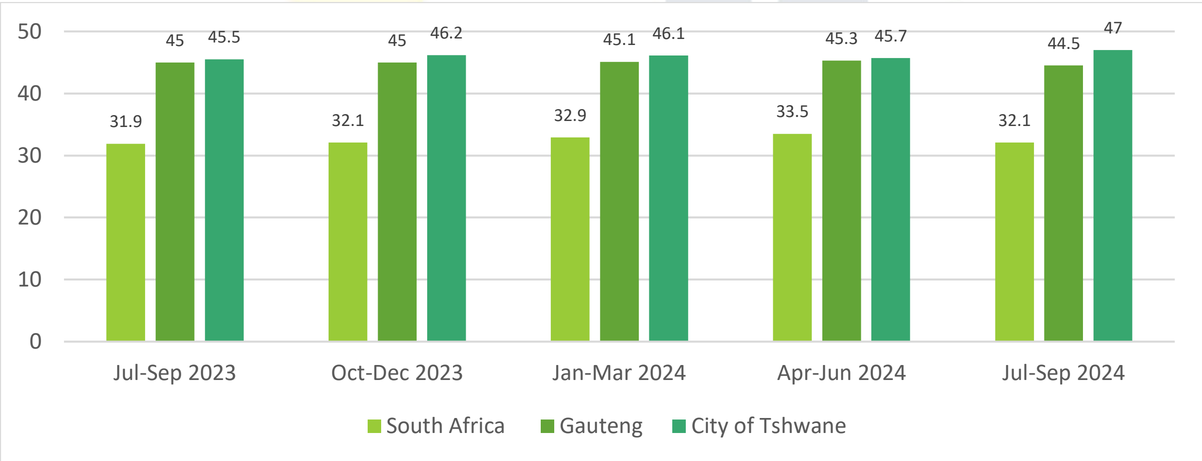


Figure 39: Labour absorption rate comparisons Tshwane, Provincial and National 2023–2024
Source: QLFS

Looking at the regional picture, as expected, Region 3 enjoys the biggest share of employment. This is where the conventional Business District of Tshwane is located. It must be noted that only Q3 had shown a positive year change from 496 thousand to 521 thousand employment from the previous quarter, the other previous quarters showed a decline. Across all the regions we see a similar trend, where the year-on-year comparison stayed the same in absolute terms, but across the city an increase in Q3 2024 was recorded. This is still relatively small but is better than shedding jobs.

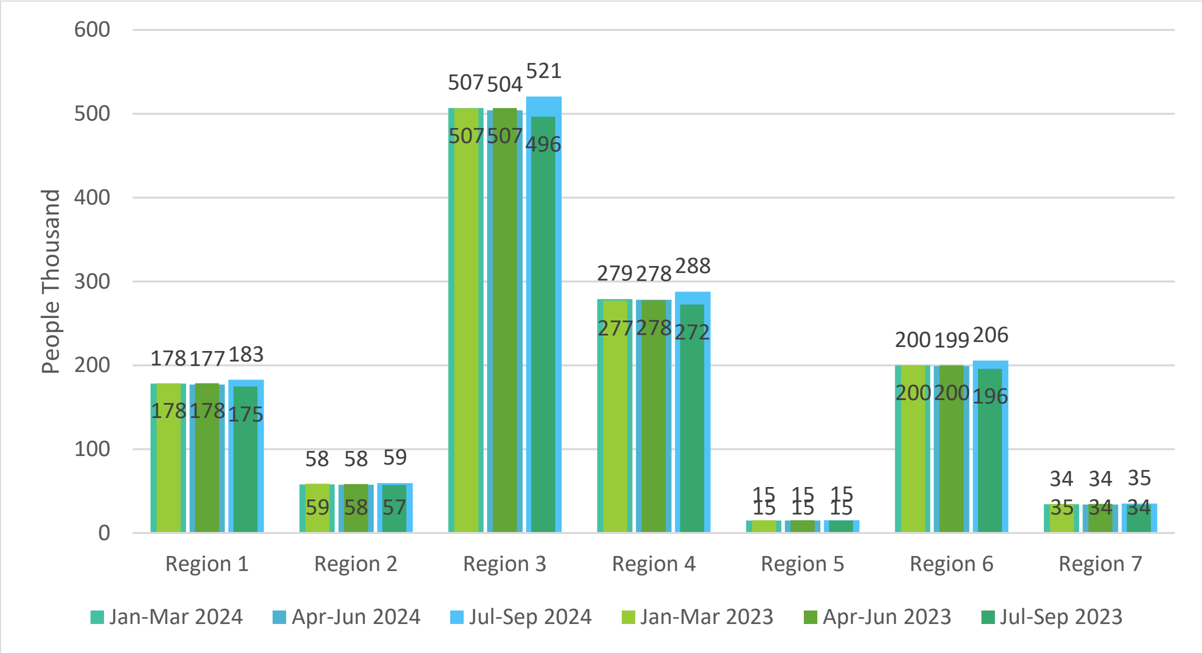


Figure 40: Formal Employment across Tshwane Regions
Source: QLFS

Labour absorption across the regions shows a similar picture with Region 3 having the highest absorption rate (96%) and this is due to the nature of the region. It is likely that the ability to find work in this region is significantly better than in other regions in the city. However, what is interesting is that across the regions we see a minor decline in labour absorption year on year (i.e. for all regions in between Q1 2023 and Q1 2024 as well as Q2 2023 and Q2 2024). It is further noted that Region 5 is the one region in which it is the hardest to find a job, with less than one in 5 people being employed. This is followed by Region 2 at approximately one in four and Region 1 just marginally better than that.

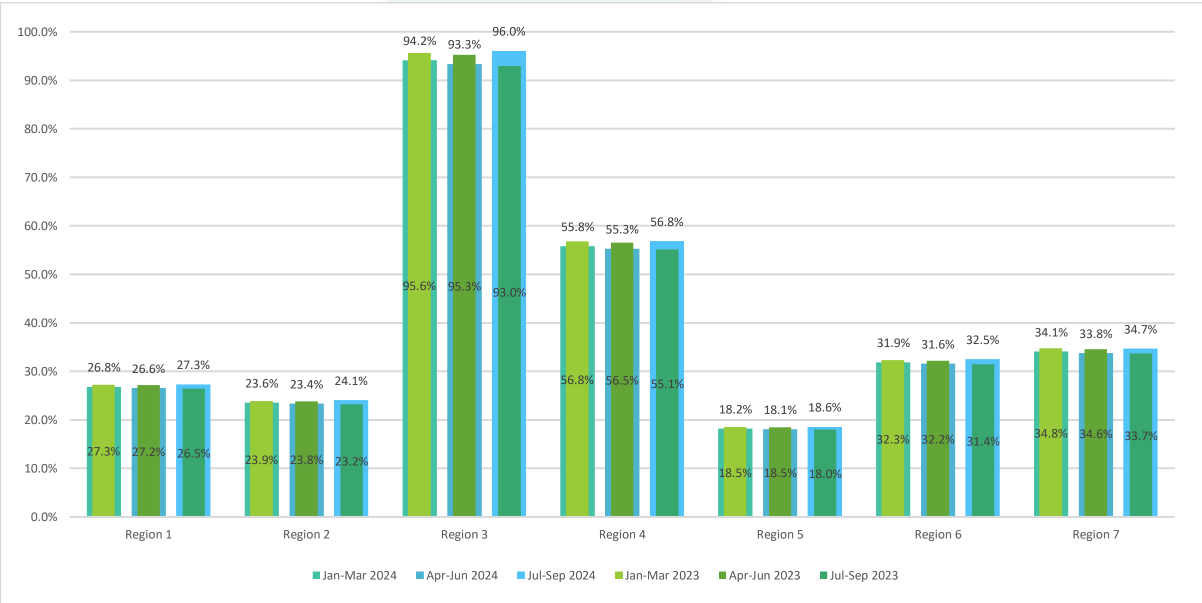


Figure 41: Labour absorption rate across Tshwane Regions
Source: QLFS

2.2.2 Industry Sectoral Shares

There are at least 1,31 million people who are employed within the borders of the City of Tshwane. The sector that employs the largest share of people is the finance sector, which accounts for 25,3% employment, closely followed by the community services sector, which accounts for 24,7% of employment share in the city. These two sectors account for half of all employment in Tshwane. The retail trade sector (17,7%) and the manufacturing sector (10,1%) follow immediately thereafter. These four sectors account for almost 80% of Tshwane's formal employment. Electricity, Mining and agriculture in Tshwane cumulatively account for less employment than Household employment (6,9%), Transport (5,5%) or Construction (5,1%). Thus, the potential of these industries as major job creators is not viable.

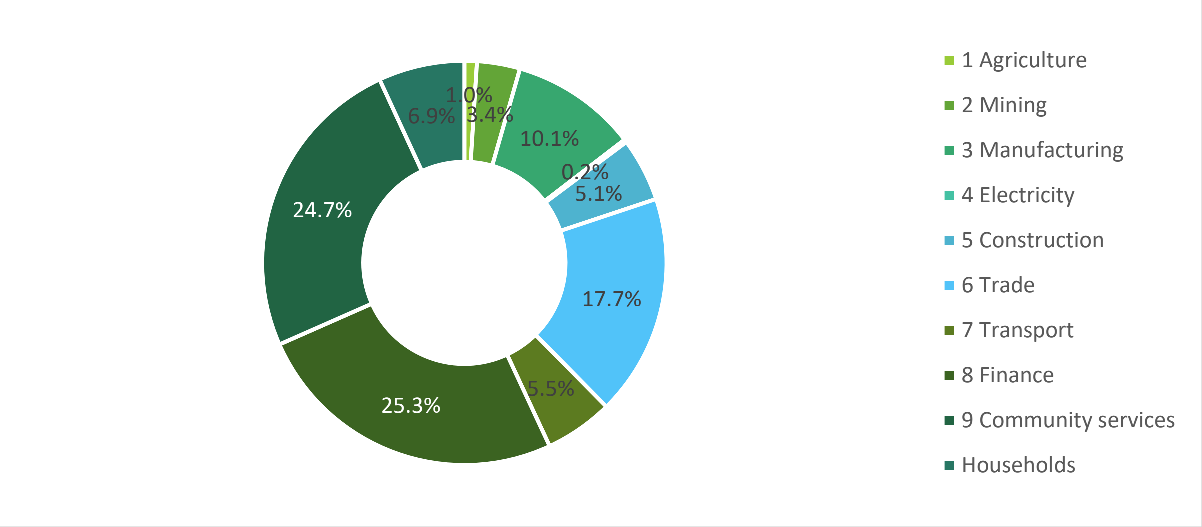


Figure 42: Tshwane employment Sectoral Share
Source: IHS Regional Explorer

The same structure is observed across the regions in varying degrees, but the underlying structure of the economy is present in all regions. What is interesting to observe is that in the more rural Regions, namely regions 5 and 7, household employment is the highest, but conversely Region 4 has the 3rd highest household sector rate, which could be because of the wealth of the region. Therefore, employment in this sector can be indicative of poverty or wealth, making it difficult to draw a conclusion on the reason for this sectors employment. '

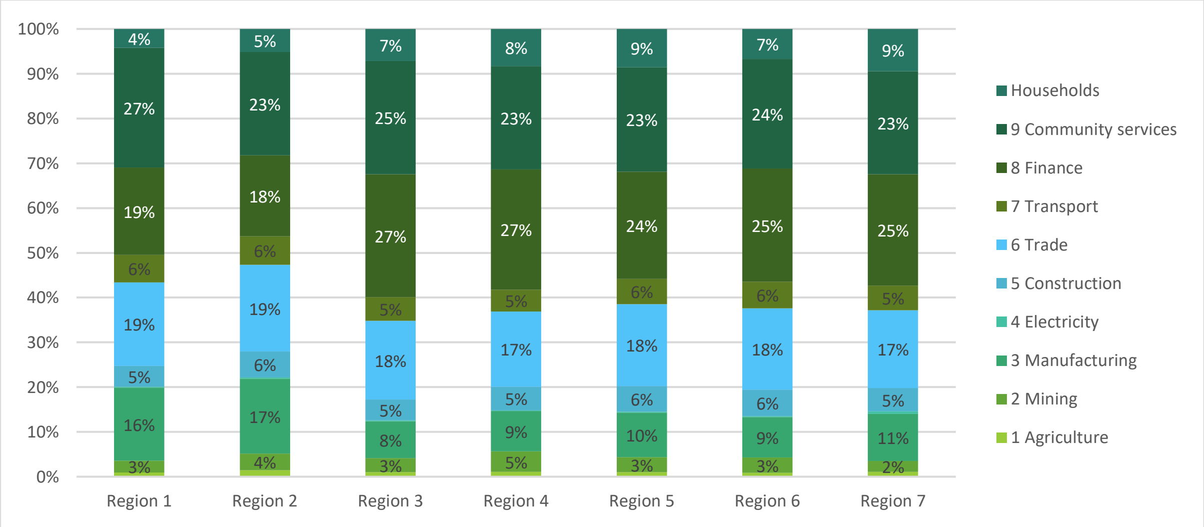


Figure 43: Employment share across Tshwane
Source: IHS Regional Explorer

2.2.3 Unemployment Rate

From Q3 of 2023 the official unemployment rate has steadily been increasing until Q2 2024 from 31,9% nationally to 33,5%. Tshwane's unemployment rate exceeds national and Gauteng's unemployment rates. Over this period, however, we note that Tshwane's unemployment rate (33,9%) dropped marginally below the Gauteng rate (34%). The reason for this drastic shift between Q2 2024 (35,3%) and Q3 2024 (33,9%) is likely due to the stabilisation of the grid and the end to loadshedding.

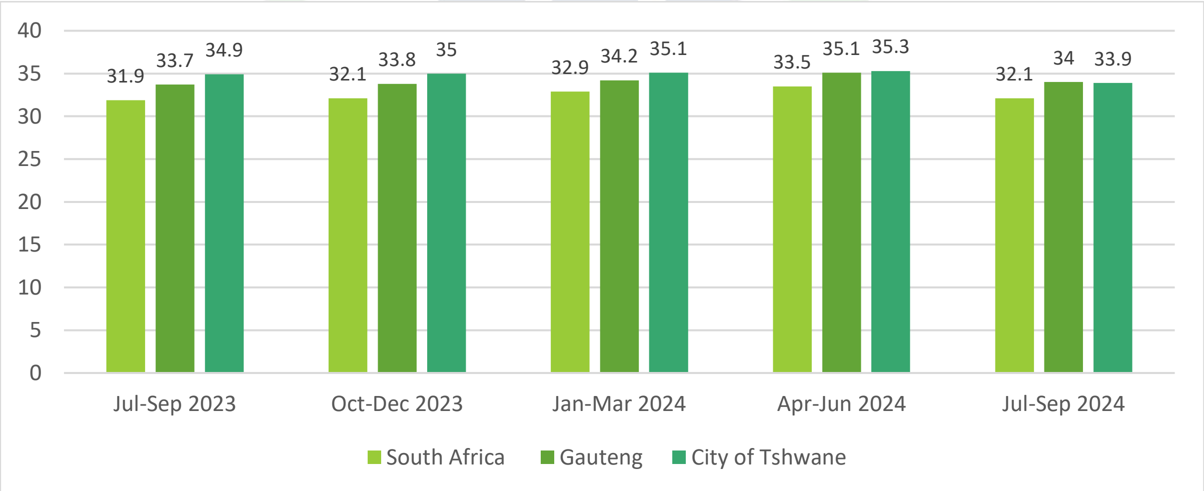


Figure 44: Official Unemployment Rate
Source QLFS

Figure 45, below, shows the year-on-year change in unemployment across the regions for Quarters 1 to 3 between 2023 and 2024. The only two regions that showed an increase in unemployment is Regions 5 and 7. Across the other regions unemployment declined or remained the same.

Figure 45: Official unemployment rate across regions
Source: Own calculations, QLFS

2.2.4 Youth Unemployed Rate

Unfortunately, the latest youth unemployment data available at the time of writing this report for a disaggregated view across regions is 2019. On average, across the city, about 60% of young adults are unemployed. The highest rate of unemployment is recorded in Region 1 at 71,3%. All other regions except Region 4 have a youth unemployment rate in excess of 50%, showing the systemic nature of this problem. It must be advised that this issue is not unique to the city, but is a widespread phenomenon throughout the country

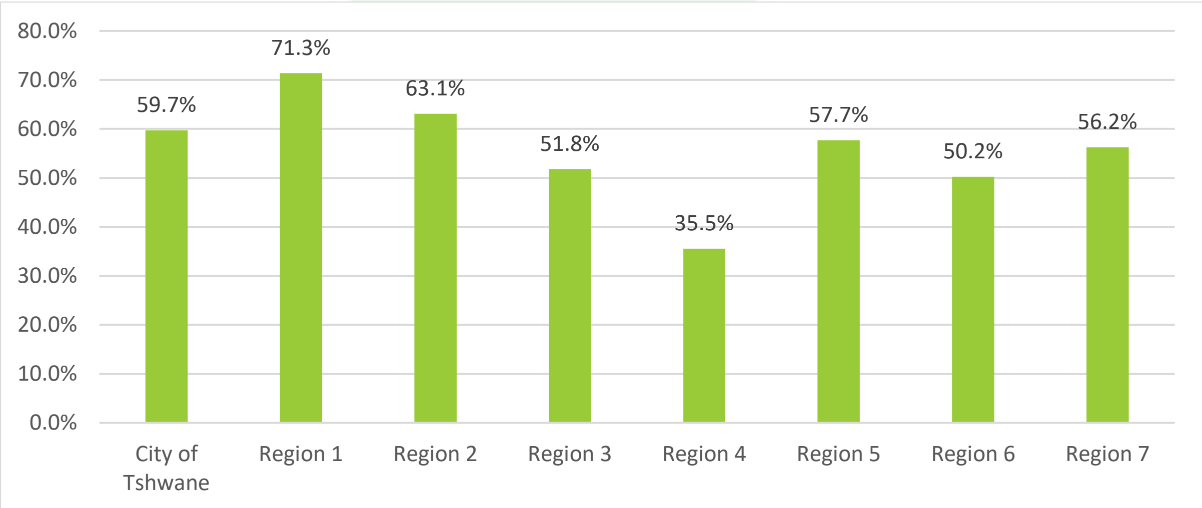


Figure 46: Youth unemployment 2019 – Tshwane
Source: IHS Regional Explorer

2.3 The Economy of Tshwane

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states. Economic recovery for all the Cities in the region, following the COVID 19 pandemic, only started to take place in 2023 and 2024, with real GDP values for all Cities having exceeded the 2018 value. In absolute size, the City of Johannesburg is the biggest regional economy followed by City of Tshwane and then the City of Ekurhuleni.

Table 7: Real GDP for Gauteng Metros 2018–2024 Real GDP (Constant 2010 Prices R Millions)

	2018	2019	2020	2021	2022	2023	2024
EKU Ekurhuleni	R214 329	R212 278	R194 669	R201 597	R205 669	R210 754	R214 747
JHB City of Johannesburg	R492 934	R501 379	R465 750	R479 303	R487 246	R498 529	R507 619
TSH City of Tshwane	R316 363	R317 198	R297 008	R306 347	R312 529	R320 477	R326 824

Source: IHS Regional Explorer

Looking at the relative size of the economies across all the metros in South Africa, it is noted that the City of Tshwane has the second largest economy with respect to Real GDP, behind the City of Johannesburg and followed by the City of Cape town.

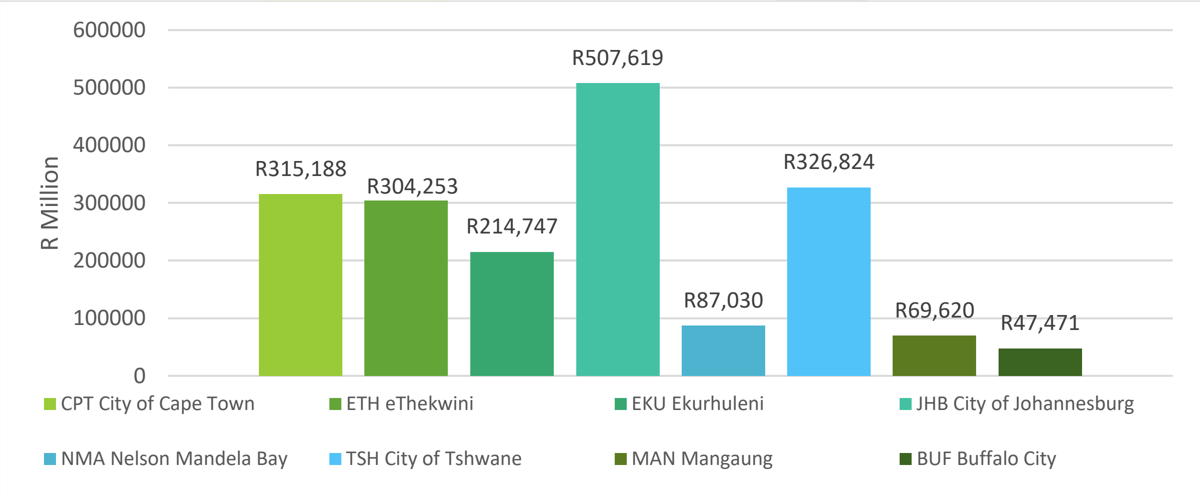


Figure 47: Real GDP across Metros 2024
Source: IHS Regional Explorer

Each of the regions of the City of Tshwane contributes to the overall GDP of the City. Region 3 contributes over a R 100 billion to the annual GDP, followed by Region 6 (R 77 380 million) and Region 4 (R 62 470 million). The smallest contributors to the Tshwane economy are Region 7 and Region 5, contributing approximately R 10 882 million and R4 939 million respectively.

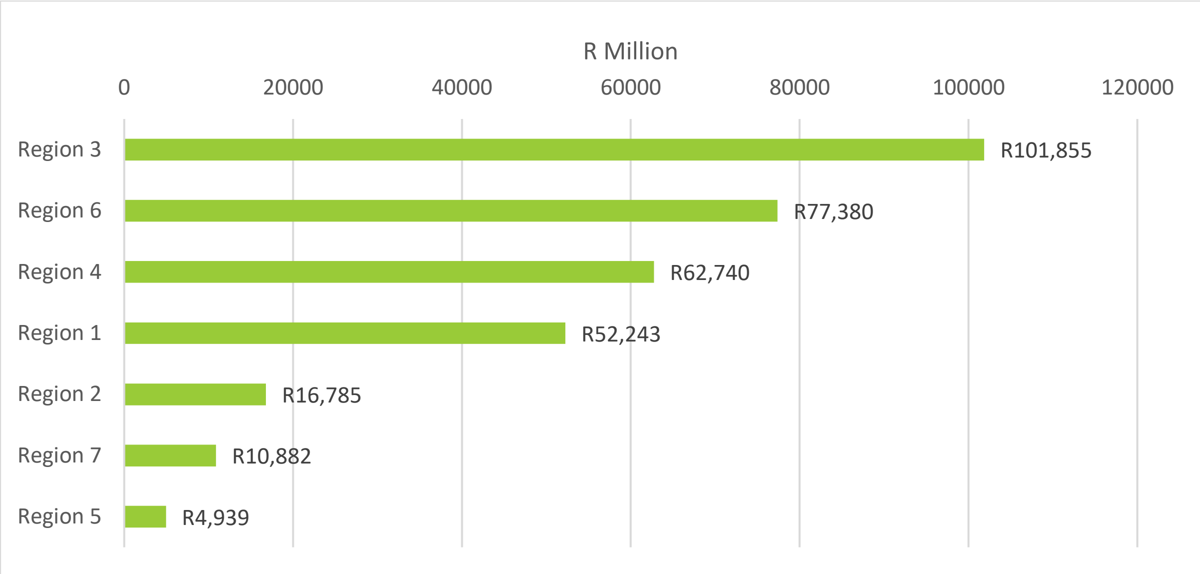


Figure 48: GDP-R contributions across regions - Tshwane
Source: IHS Regional Explorer

The City of Tshwane's average annual growth from 2018 has been at a rate of 0,3% per annum. This is a significant slowdown from the early 2000s (two thousands), when the city grew at 6,3% per annum. This slowdown does not necessarily indicate that the city's economy is failing but rather illuminates the impact of consecutive shocks which the city had to weather like loadshedding, COVID 19 and other shocks like the Ukraine war. What is emerging then is the outworking of all of these impacts in a drastic slowdown in economic growth to a point where it can be said that the city economy is stagnating. The revitalisation of the economy is crucial within this context because without increased economic activity, there is no potential for meaningful job creation.

Figure 49: Average Annual real economic growth for Tshwane
Source: IHS Regional Explorer

The growth rates across the regions of Tshwane exhibit a notable slowdown since 2018, with regions 1 and 2 contracting annually on average by 0,2%. In contrast, the table below shows that the fastest growing region since 2018 has been Region 7 at a growth rate of 0,9%. This could be due to the low economic base from which Region 7 begins, causing a slight distortion in percentage growth. Regional growth performance, whilst slow, is still comparatively better in Region 3 and 4 than in the other regions. As expected, no region was spared the impact of the economic challenges faced by the city.

Table 8: Regional Real GDP Growth Rates

	1996-2001	2001-2006	2006-2011	2011-2016	2018-2023
Region 1	2,8%	3,7%	4,0%	4,1%	-0,2%
Region 2	5,2%	2,7%	3,3%	2,3%	-0,2%
Region 3	2,0%	7,3%	3,7%	1,4%	0,4%
Region 4	2,9%	8,1%	5,6%	1,4%	0,4%
Region 5	2,3%	5,0%	2,9%	2,2%	0,1%
Region 6	0,8%	5,7%	4,6%	2,8%	0,3%
Region 7	3,6%	14,2%	6,8%	2,6%	0,9%

Source: IHS Regional Explorer

GDP per capita between 2022 and 2024 has increased from approximately R 78,8 thousand to R 79,4 thousand across the city. Despite the low growth of the economy overall, at least there is a marginal improvement in the GDP per capita.

Table 9: Real GDP per Capita

Real GDP per capita (R 1000)			
	2022	2023	2024
GDP per Capita	R 78,8	R 79,3	R 79,4
Growth %		0,7%	0,1%

Source: Own calculations Census 2022 and IHS Regional Explorer

Based on GDP per capita across the regions, the wealthiest regions outstrip the city's average GDP per capita. In order of size these are Region 4 (R 138,6 thousand), Region 3 (R 123,9 thousand) and Region 6 (R 108,8 thousand). The smallest shares are allocated to Region 2 at R 26 thousand and Region 1 at R 42,5 thousand. There has been marginal to no improvement in GDP per capita over the period 2022 – 2024.

Table 10: Real GDP per capita by region 2022–2024

Real GDP per Capita (R 1000)	2022	2023	2024
Region 1	R 42,6	R 42,7	R 42,5
Region 2	R 26	R 26,2	R 26,1
Region 3	R 122,7	R 123,6	R 123,9
Region 4	R 137,1	R 138,3	R 138,6
Region 5	R 58,2	R 58,6	R 58,8
Region 6	R 107,9	R 108,6	R 108,8
Region 7	R 61,9	R 62,5	R 62,7

Source: Own calculations Census 2022 and HIS Regional Explorer

The study of the sectoral composition of the economy of the city considered the relative importance of each of the sectors. In 2024, the community services sector was the largest within the City of Tshwane Metropolitan Municipality, accounting for 35,8% of the total Gross Value Add (GVA) in the city's economy. The sector that contributes the second most to the GVA is the finance sector at 19,7%, followed by the trade sector at 13.3%. The sector that contributes the least to the economy is the agriculture sector, with a contribution of 0.64% of the total GVA.

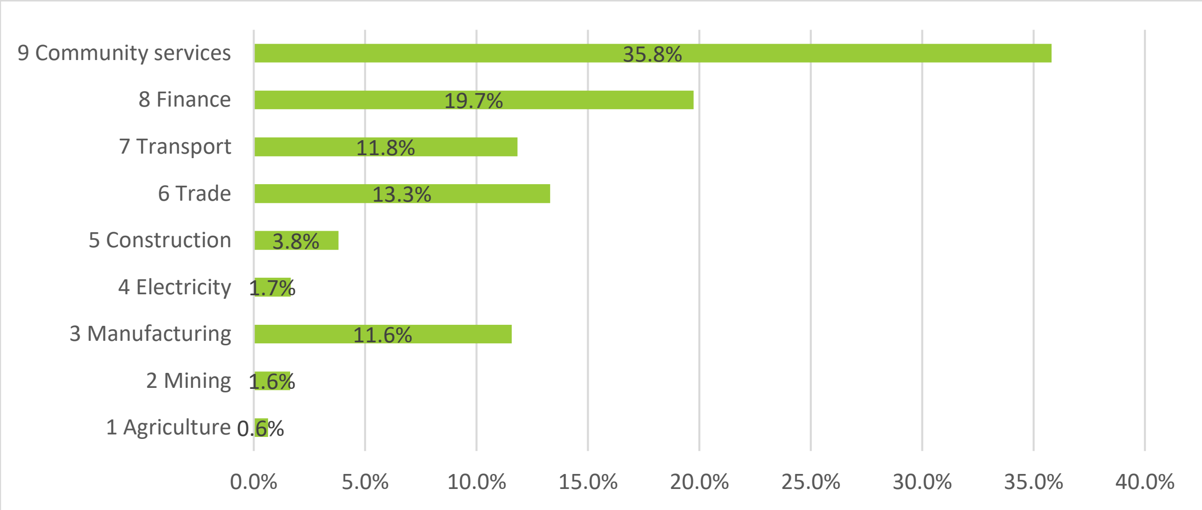


Figure 50: GVA contribution of each sector to the Tshwane Economy
Source: IHS Regional Explorer

2.3.1 Agriculture

A look at each sector across the regions gives an overview of the share of each region's activity and relative importance in the sector output to that region. Region 7 has the biggest agricultural sector at 3,4% of its output, followed by region 5 and region 2 at 1,2% and 1% respectively. In line with expectations, the agricultural sector's contribution to the economy becomes smaller as a region becomes more urban, but there is still an opportunity to engage in modern agricultural activities in the urban areas such as precision farming etc.

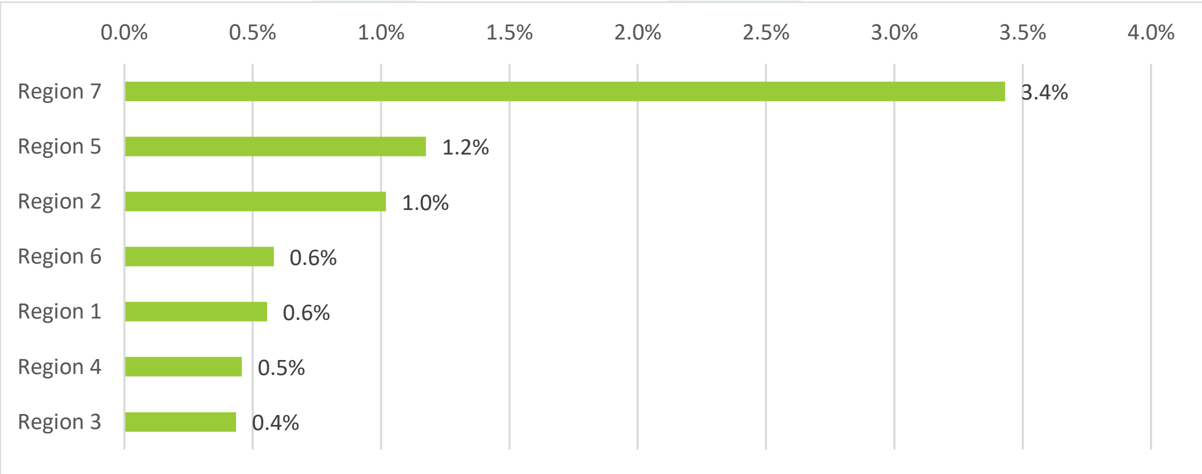


Figure 51: Regional output share of the Agricultural Sector 2024
Source: IHS Regional Explorer

2.3.2 Mining

The mining industry is not a big part of the Tshwane economy. However, there are some notable quarry activities in Region 5 and Region 4. The sector contributes approximately 4,4% and 2,2% to their regions' output respectively and Region 7, with the Petra diamond mine, contributes 4,1% to the city's output. The other region's mining output contributes between 1% – 1,5% to the Tshwane economy. There are also recent mining developments namely, Vergenoeg Mining Company and Palesa Coal

Mine. The regional shares are likely not due to actual mining activities in each region but rather the head office effect that records output to where it is reported. It is however noteworthy to observe that there is mining-related economic activity in all the regions, whether it be actual mining or through the mining-related businesses.

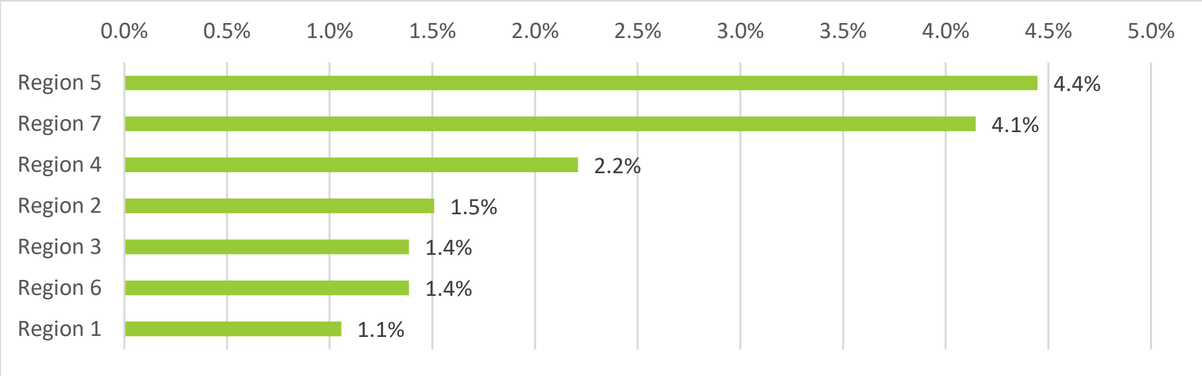


Figure 52: Regional Output Share of the Mining Sector 2024
Source: IHS Regional Explorer

2.3.3 Manufacturing

The manufacturing sector is an important factor in a city's economy. Given the presence of the motor/automotive manufacturing industry and other advanced manufacturing activities in the City of Tshwane, manufacturing is a key sector within the City of Tshwane. Manufacturing activity in Region 2 is the highest in the city, contributing roughly 18,6%. This can be expected due to the Babelegi industrial area. This is followed by region 7 (15,8%) and that may likely be due to the Ekandustria Industrial Park in that region. Region 1 is also a strong contender contributing 15,3% to the output of its region. The likely reason for this is the scattered industrial activities in the area as well as the industrial park in Ga-Rankuwa and the automotive industry in the Rosslyn area. What is notably a concern is that Region 3 is the smallest contributor in the city at 9,5% and that is likely due to the decline of industrial activity in Pretoria West.

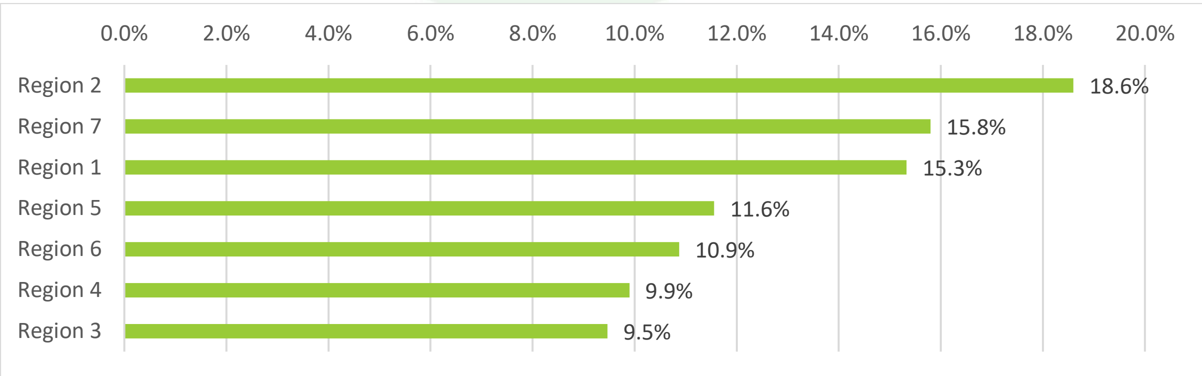


Figure 53: Regional output share of the Manufacturing Sector 2024
Source: IHS Regional Explorer

2.3.4 Electricity

The electricity or rather the energy sector includes adjacent activities such as gas, steam and air conditioning supply. This sector isn't a sizeable contributor to Tshwane's economy across all the regions. The biggest is 6,1% in Region 7, possibility due to the Bio2Watt generation facility in the region. There is a possibility of an increase in Region 1 and 3 should the redevelopment of the Pretoria West and Rooiwal Power Stations be completed.

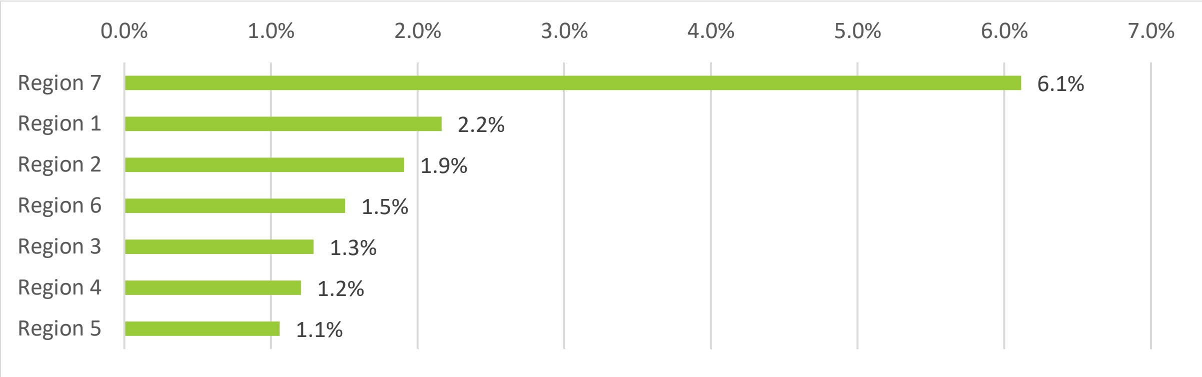


Figure 54: Regional output share of the Energy Sector 2024
Source: IHS Regional Explorer

2.3.5 Construction

At best the construction industry contributes 5,1% to the regional output of Region 7, with the smallest share being recorded in Region 3 (3,5%). Even though cities often have more construction activities taking place than in non-metropolitan areas, comparatively speaking, this activity is notably small in the bigger Tshwane economy. But it presents a greater opportunity for growth across the entire city.

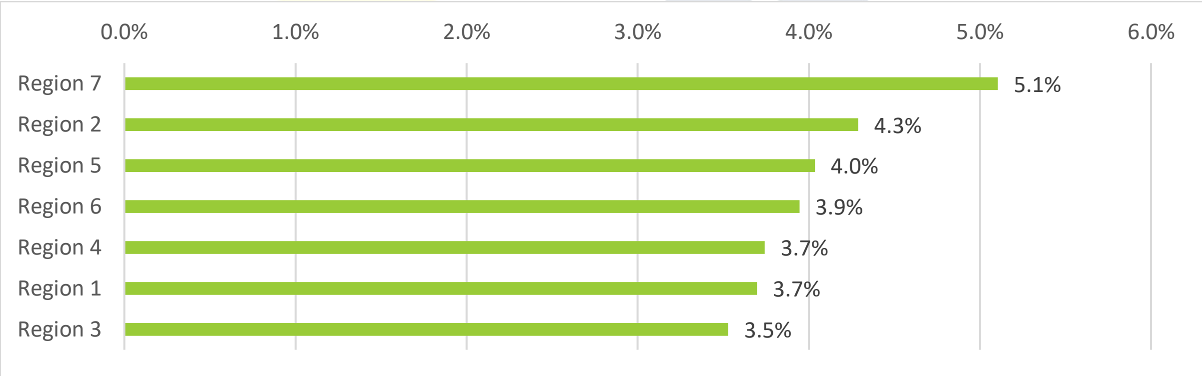


Figure 55: Regional output share of the Construction Sector 2024
Source: IHS Regional Explorer

2.3.6 Wholesale Retail Trade and repair of vehicles

The contribution of this sector to regional economies exceeds 10% across all regions, with Region 7 contributing the smallest share of 12%. The relative ranking of regional outputs in this sector make sense with motor vehicle related activities concentrated around Region 1 and Region 2. Those regions include Rosslyn and other vehicle related activities with the relative size of output shares for Region 1 and Region 2 being 14,3% and 14,2% respectively. Region 3 is the business hub of the city and is thus ranked third at 13,2%. Regions 4 and 6 also have a lot of retail activity.

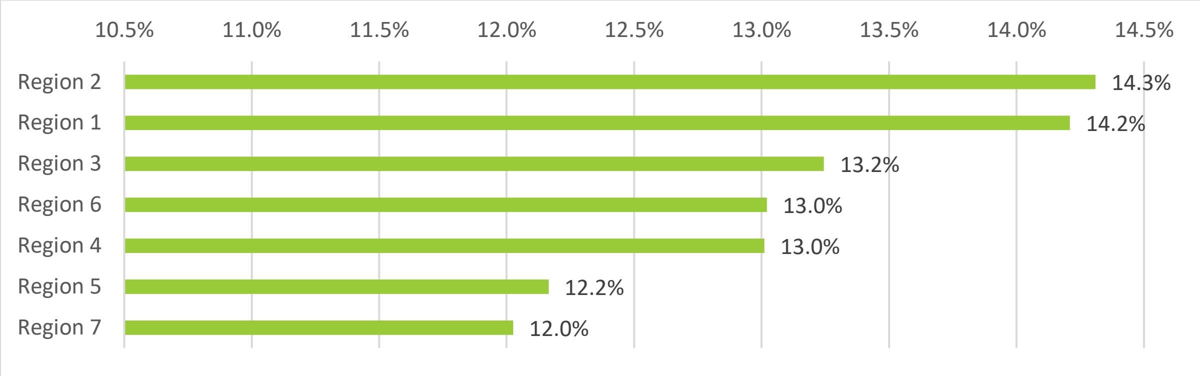


Figure 56: Regional output share of the Retail Trade Sector 2024
Source: IHS Regional Explorer

2.3.7 Transportation and Storage

The Wonderboom National Airport is situated in the north of Pretoria and contributes to Region 2's output in the transportation and storage sector. Given Tshwane's position geographically, which links South Africa with our neighbouring countries through Region 2 via the Limpopo Province and through Region 7 via the Mpumalanga Province, it is not surprising to see Tshwane being a hub of transport related activity. Furthermore, the size of the City's transport sector plays a crucial role in the mobility of residents and businesses, given the relative size of the populace. The presence of original equipment manufacturers in the automotive sector in Tshwane is a boon to this industry as they would inevitably undertake adjacent activities that positively impact the industry. As can be expected, Regions 1 and 2 are the biggest contributors to this sector. It must however be noted that all regions, except for Region 7, account for more than 10% output, with Region 7 contributing just under 10%. Situated between the Brakfontein interchange and Samrand off-ramps, the Louwlardia industrial park is a well-developed logistics and warehousing hub due to its excellent highway exposure. Shoprite-Checkers, Woolworths, QK Meats, OBC Chicken, Clicks, Volkswagen and many other national retailers have their distribution centres located in Louwlardia. Furthermore, QK Meats, Shoprite-Checkers and Woolworths are all currently undertaking significant investment expansions, which serve as a testament of the area's investment potential and competitive advantage.

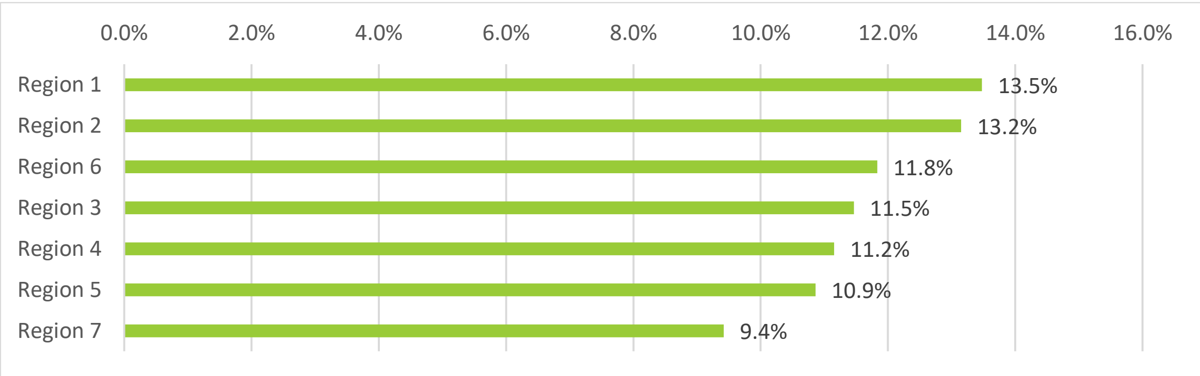


Figure 57: Regional output share of the Retail Trade Sector 2024
Source: IHS Regional Explorer

2.3.8 Finance and Insurance

The presence of the financial and insurance sector is significant across the city. Four of the regions recorded sectoral contributions of more than 20% in the financial and insurance sector. Region 4 is the biggest contributor at 22,8%. There are major corporations such as Merchant, OUTsurance and Momentum Call Centre all located within Region 4. Centurion is a well-known location for businesses of this type. As it has become much easier for businesses to move their operations to Tshwane, the output contributions of Regions 3 and 6 become obvious and explicable. Among others, First National Bank has moved to Menlyn and Investec onto Atterbury Road near the N1 and Absa Waltloo Call Centre is located in Region 6. Furthermore, the city has a good internet backbone which is an enabler for these types of businesses and a very important consideration for them when deciding on where to invest.

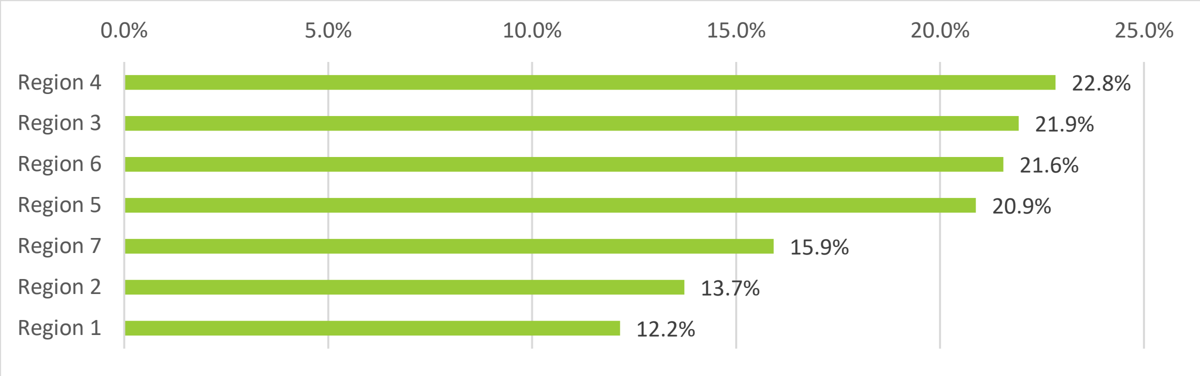


Figure 58: Regional output share of the Finance Sector 2024
Source: IHS Regional Explorer

2.3.9 Community Services

The high concentration of government departments within the borders of the City betrays the notable importance of this sector in Tshwane. Given that the city houses the presidency and has a huge concentration of military activities compared to other cities in the Gauteng region, the size of this sector contribution is obviated. This sector accounts for more than 37% of regional output for both Region 1 and Region 3, with all other Regions recording shares over 30%, except for Region 7 at 28%.

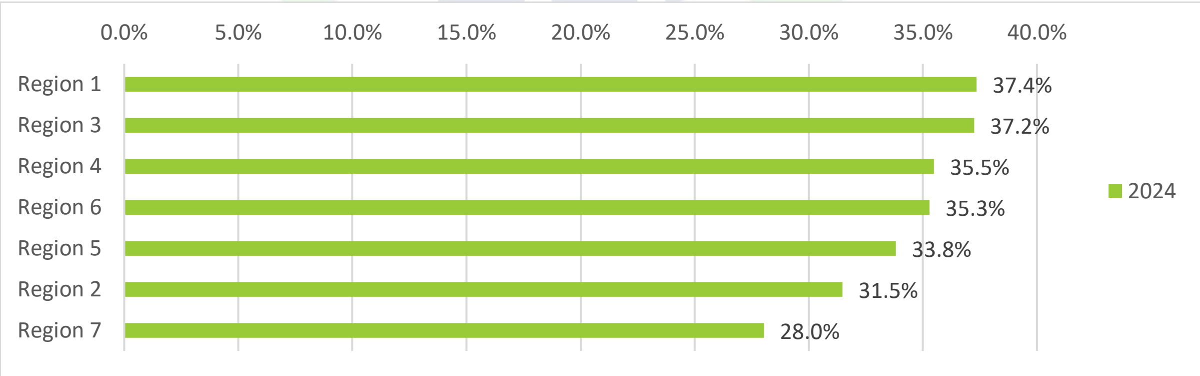


Figure 59: Regional output share of the Community Services Sector 2024
Source: IHS Regional Explorer

A specific regional economy has a competitive advantage over other regional economies if it can more efficiently produce the same good. The location quotient (LQ) is one way of measuring this competitive advantage.

If the location quotient is larger than one for a specified sector within a region, then that region has a competitive advantage in that sector than other regions. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the regional economy divided by the percentage share of that same sector in the national economy. For example, an LQ of 1.0 in mining means that the region and the nation are equally specialised in mining; while an LQ of 1.8 means that the region has a higher concentration of mining than the nation. An LQ of less than one means that other industries nationally are more competitive. In the City of Tshwane, the Community services sector has the biggest competitive advantage (1,39). This is due to the strong presence of government offices and of the city being the seat of national government. This is followed by the Transport sector at 1,28. This is explained by the presence of OEMs for vehicles like Nissan, BMW and Ford in the city. These are followed by Finance at 1,12 and the trade sector at 1,05. The remaining sectors are below 1. It does not however mean that these sectors are not competitive at all. It is likely that, at a smaller geographic level, they are indeed competitive, otherwise they would not be able to survive in the absence of government safeguards. Furthermore, given that South Africa is an open economy, it is possible that these sectors are boosted by foreign trade and their competitiveness lies outside the country's borders. All that the LQ reveals is that these sectors are less efficient than in other national counterparts on average.

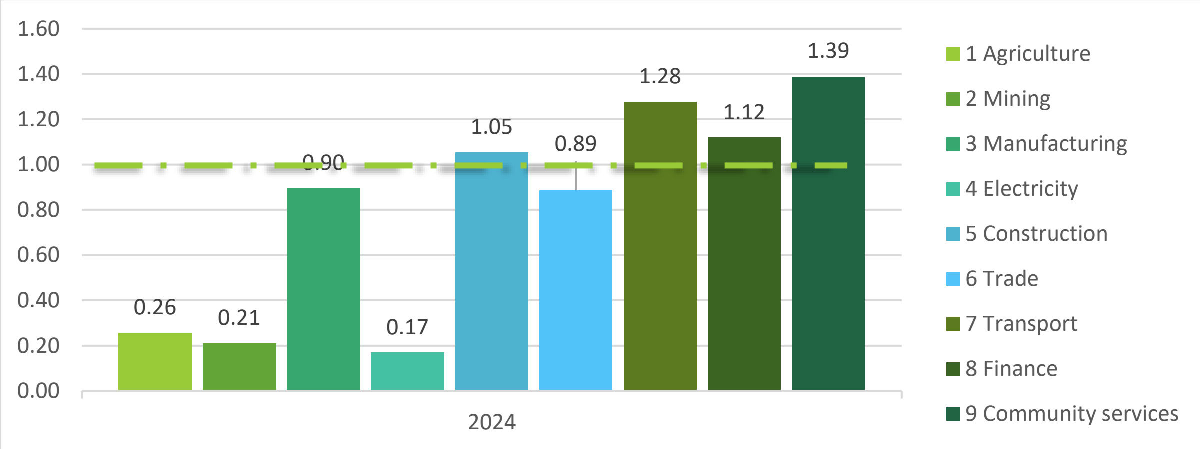


Figure 60: Location Quotients 2024 – Tshwane
Source: IHS Regional Explorer

Note: due to computational challenges and lack of data reliable estimates for regional Location quotients could not be estimated.

2.4 Services

This section examines service delivery and backlogs on key metrics, accompanied with satisfaction responses form the latest Quality of Life data from the Gauteng City Region Observatory (GCRO).

2.4.1 Dwelling Access

Thirty years (30) years after democracy the South African reality is that not everyone has a formal residence. Informal settlements are very much still a part of the country's landscape. All regions, except regions 5 and 6 are reported to have at least 80% formal housing. The city overall reports a formal housing share of 84,2%. This means that the remainder of households make do with whatever informal structure they can erect for shelter. This shortage can be viewed as a housing backlog that needs to be addressed. Resident satisfaction with their dwellings ranges from 65% (Region 5) to 92% (Region 4). Based on the outcome of the survey, the majority of city residents are satisfied with their dwellings across all regions and the City as a whole has recorded a satisfaction rating of 73%.

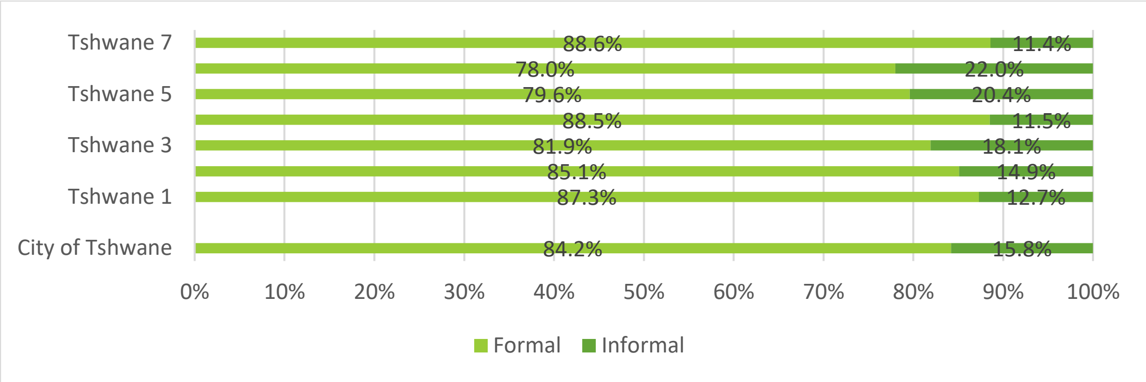


Figure 61: Formal housing and backlog in Tshwane across Regions
Source: Quality of Life 7, GCRO

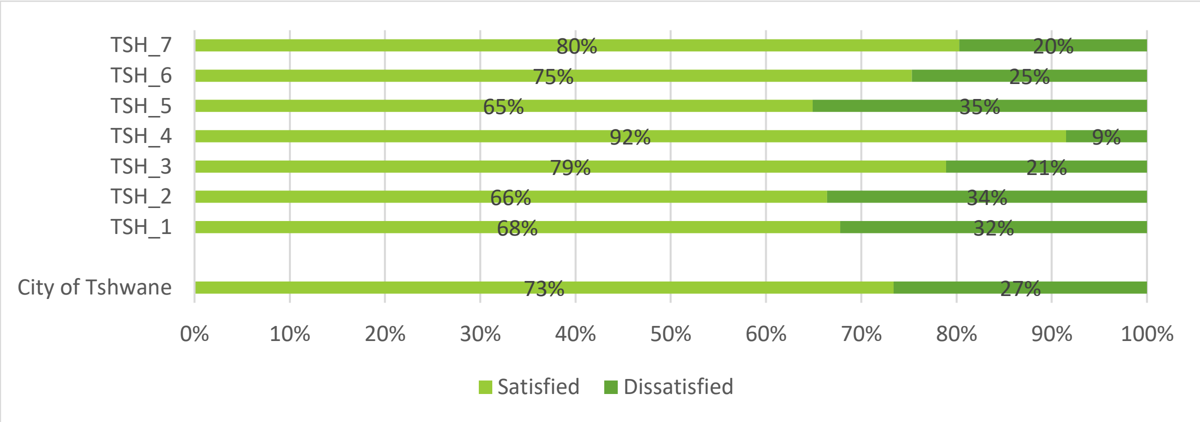


Figure 62: Dwelling Satisfaction across Tshwane regions
Source: Quality of Life 7, GCRO

When considering formal dwellings across race, rather than regions, we note that Coloured households indicated that all their residences are formal and only 0,1% of White households indicated that they live in an informal residence. Indian and Asian homes have a 2,6% informal dwelling rate. In contrast to these low figures we see that almost 1 in 5 Black households live in an informal dwelling. What is interesting is what is revealed when residents are asked about their satisfaction with their dwellings. Valuable insights are provided into the possible quality of life of residents. White households had a 97% satisfaction rate followed by Indian/Asian Households (94%). Despite reporting 100% formal dwelling rate, Coloured households only had an 87% satisfaction rate. As expected, the lowest satisfaction rate is reported by Black households at 68%.

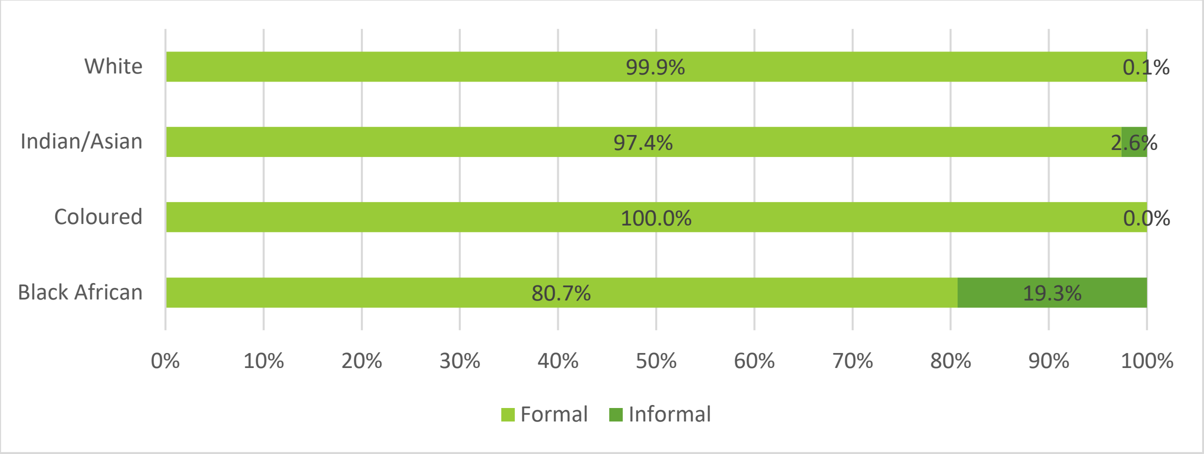


Figure 63: Formal housing by race
Source: Quality of Life 7, GCRO

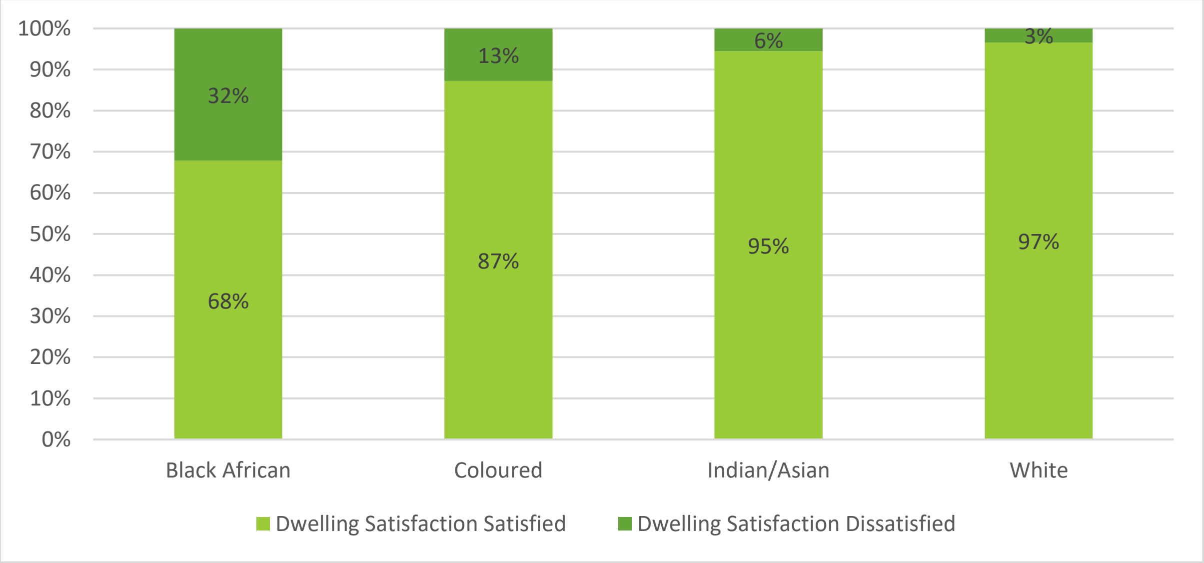


Figure 64: Dwelling Satisfaction by Race
Source: Quality of Life 7, GCRO

2.4.2 Water Services Access

Water is essential for life and access to water is an essential service provided by municipalities. In Tshwane, the highest rate of water access is located in Region1, with almost 98% of residents indicating that they have at least RDP level water service. The lowest level of water access is recorded in Region 5 at 85,4%. The city reported a water access rate of 94,3%. Water access seems universally easy for Residents across the City. However, when asked about satisfaction, Residents in Region 7 and 2 indicated a below 40% satisfaction rate with water service, with the remaining wards indicating satisfaction rates of more than 50%. The overall satisfaction rate for the city is at 71%.

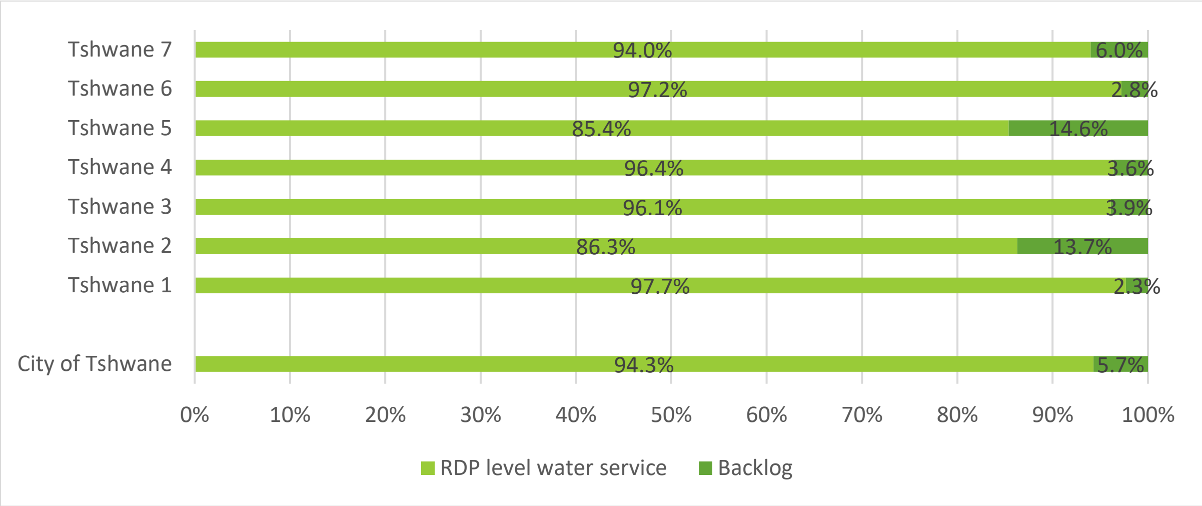


Figure 65: Regional Water access
Source: Quality of Life 7, GCRO

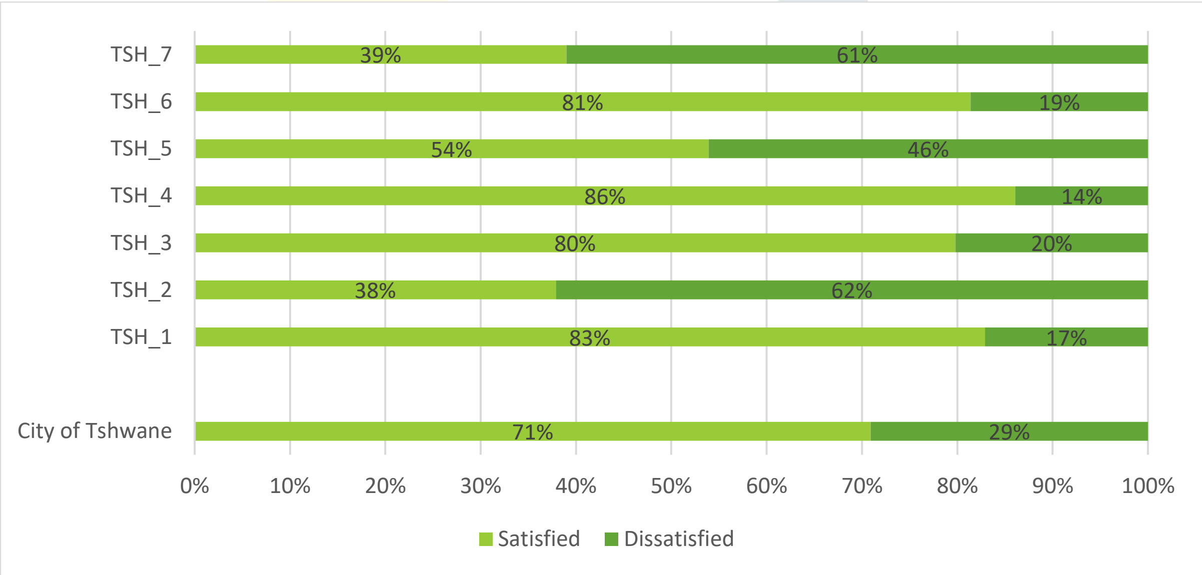


Figure 66: Regional water access satisfaction
Source: Quality of Life 7, GCRO

Water access differs across the different population groups. Indian/Asian and Coloured households have 100% access to water, while White households are at 98,8%. Black households reported a 93,2% access to at least an RDP level water service. When asked about corresponding satisfaction with these services, a third of Black homes indicated dissatisfaction, followed by Coloured homes with 1 in 4 households indicating they are dissatisfied. Both Indian/Asian and White homes indicate similar levels of dissatisfaction at 12% and 13% respectively.

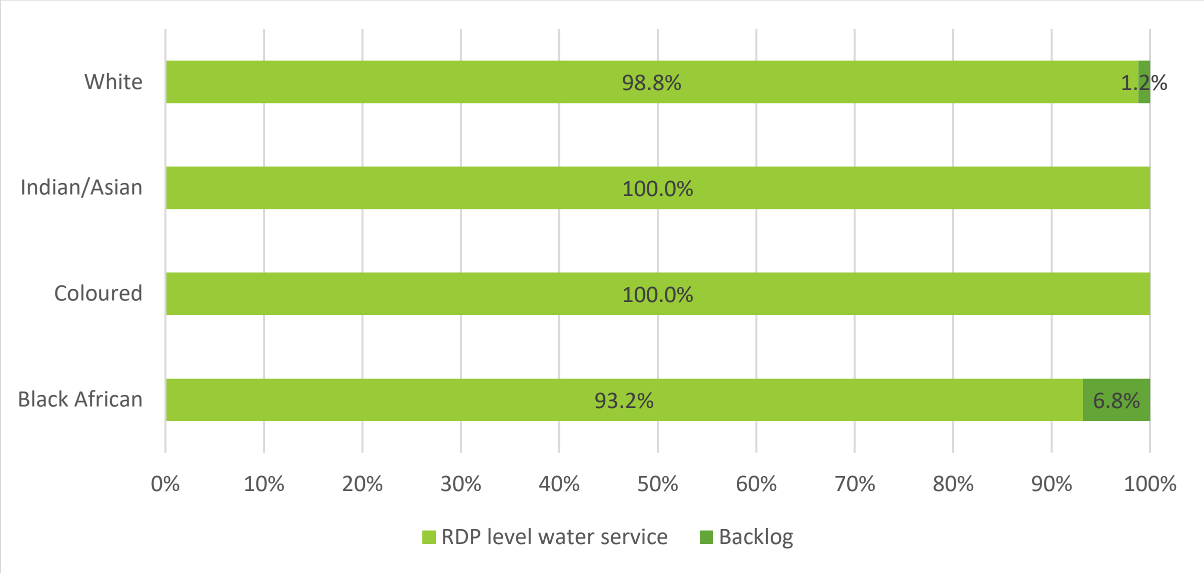


Figure 67: Water access by Race
Source: Quality of Life 7, GCRO

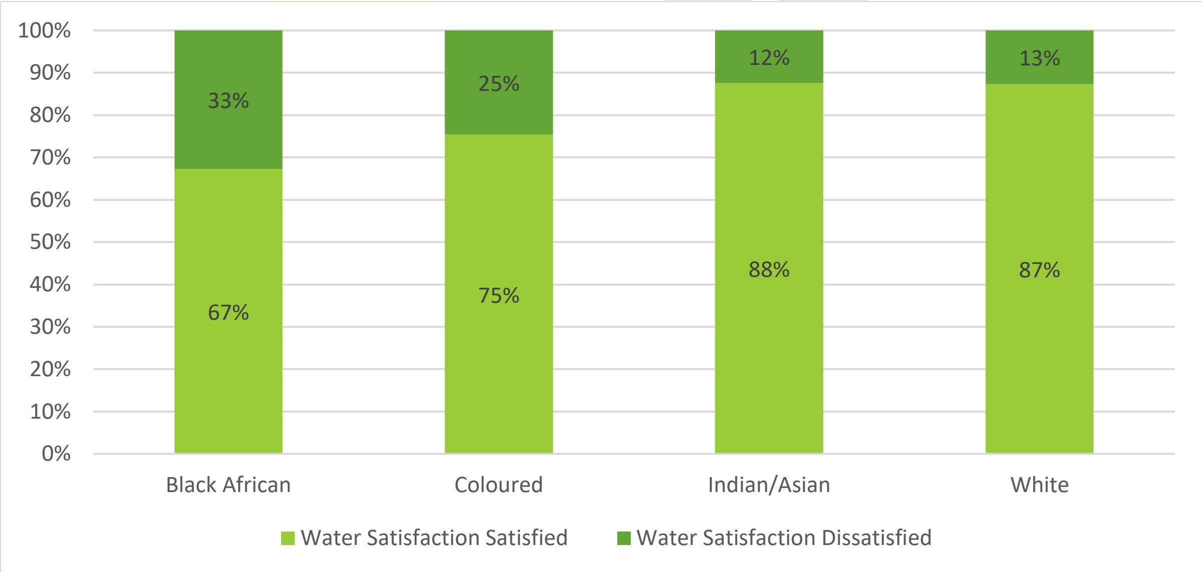


Figure 68: Water access Satisfaction by Race
Source: Quality of Life 7, GCRO

2.4.3 Sanitation Services

A huge concern for cities is dealing with sewage as this is a major health hazard, with concomitant serious implications for the city if not attended to. Hygienic access to toilets is used as a proxy to measure this and access was found to not be universal across the city. Region 2 reports the lowest access rate at 67,3%. Interestingly, there isn't full access in any of the regions of the city. The smallest backlog being reported in Region 4 (5,6%). Overall, the City as a whole reports 83% access to hygienic toilet facilities. Satisfaction with sewage services across the city is lower sitting at a 70% satisfaction rate. The lowest satisfaction score is recorded in Region 2 with the majority of residents (52%) indicating they are dissatisfied with the service.

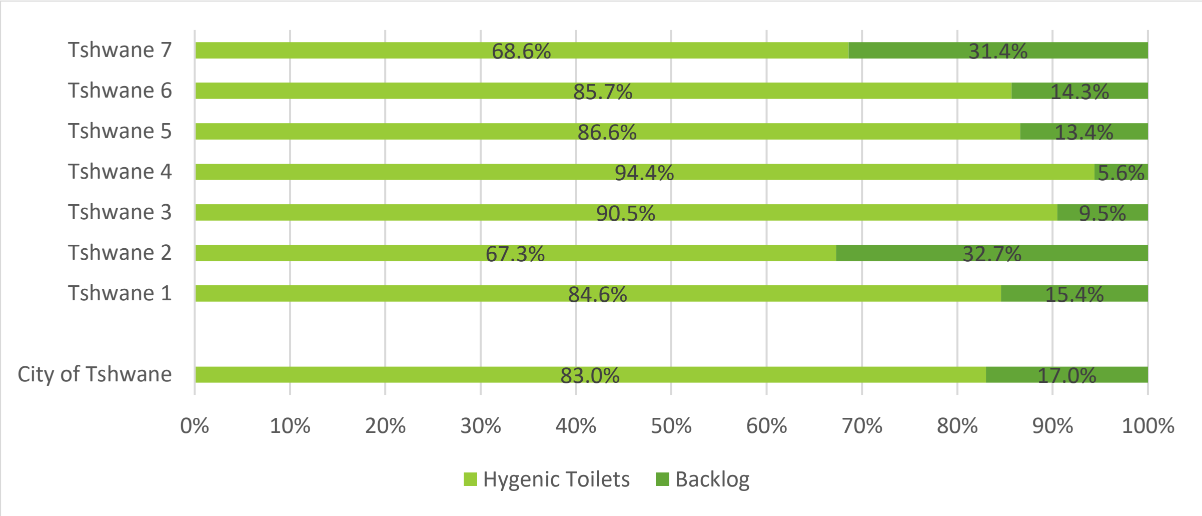


Figure 69: Sanitation access across regions
Source: Quality of Life 7, GCRO

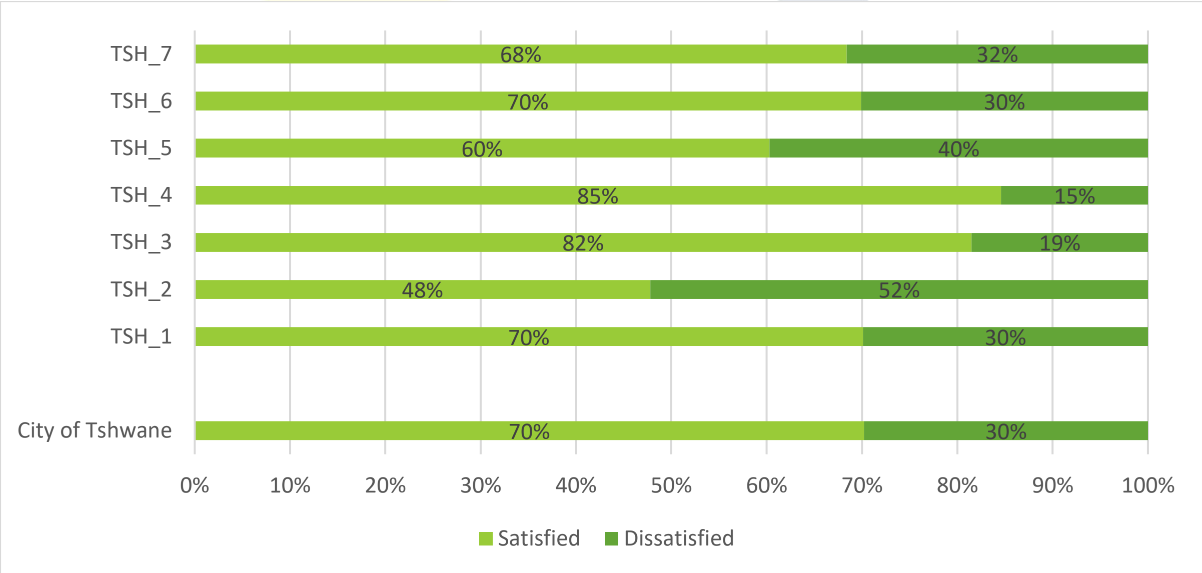


Figure 70: Sanitation Satisfaction across regions
Source: Quality of Life 7, GCRO

Considering access across population groups, it appears that all population groups except black residents have 100% or almost 100% access to sanitation services. Black homes only indicated an approximate 80% access rate to sanitation services. This is reflected in the satisfaction rating as well with 37% of Black homes stating they are dissatisfied with the service.

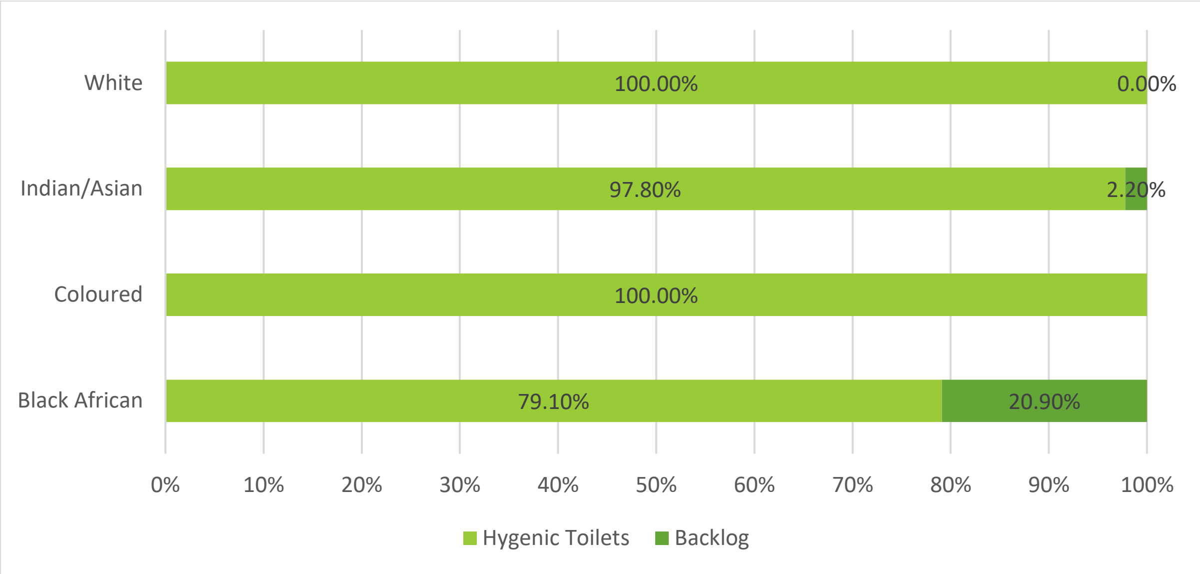


Figure 71: Sanitation access across population groups
Source: Quality of Life 7, GCRO

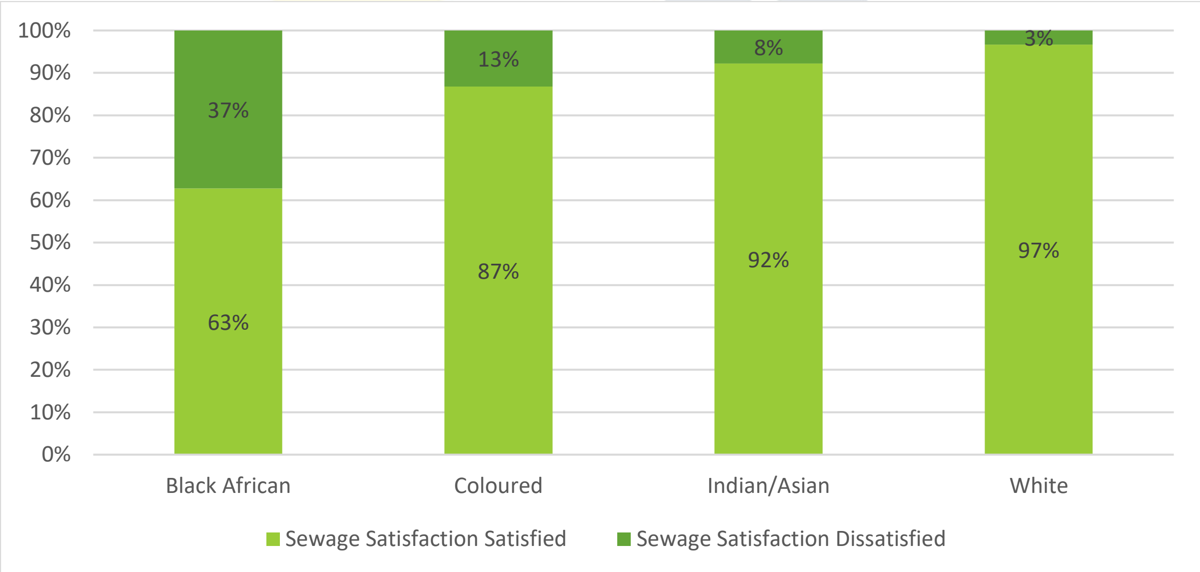


Figure 72: Satisfaction with Sanitation across population groups
Source: Quality of Life 7, GCRO

2.4.4 Waste Removal Services

A distinction is made between formal and informal refuse removal. When the local authorities remove, it is referred to as formal refuse removal service. Informal refuse removal is where either the household or the community disposes of the waste, or where there is no refuse removal at all. Access here is thus limited to access to municipal services, the frequency of which is not easily discernible. Access is the worst in Region 2 (41,1%), followed by Region 1 at 67,1%. No region has universal access with only 67,2% of Tshwane residents having access to waste removal services. Therefore, this service has the second worst satisfaction score (51%) for services rendered by the City. The statistics only cover municipal refuse collection it does not account for private sector refuse collection.

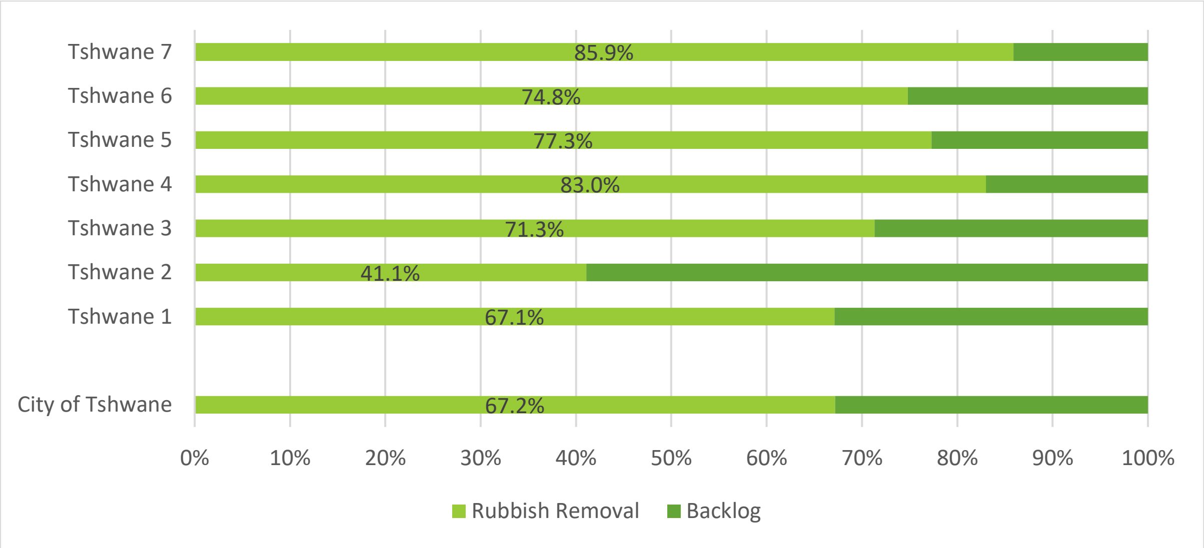


Figure 73: Waste removal across regions
Source: Quality of Life 7, GCRO

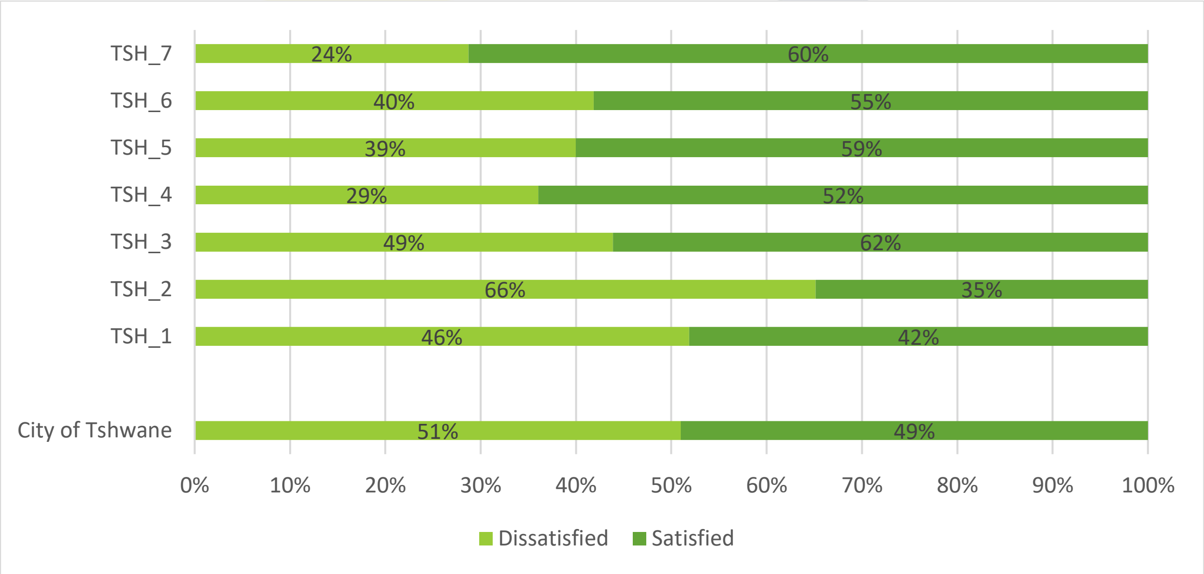


Figure 74: Waste removal satisfaction score across regions
Source: Quality of Life 7, GCRO

When looking at access to waste removal services, there is a clear divide between access by Black Households verses other groups. Black households reported access to the service to be over 60%, compared to over 95% by other groups. Interestingly 50% of both Black and Coloured households indicated that they were dissatisfied with the service rendered, with approximately 1 in 4 households of the other groups indicating that they are dissatisfied with the service.

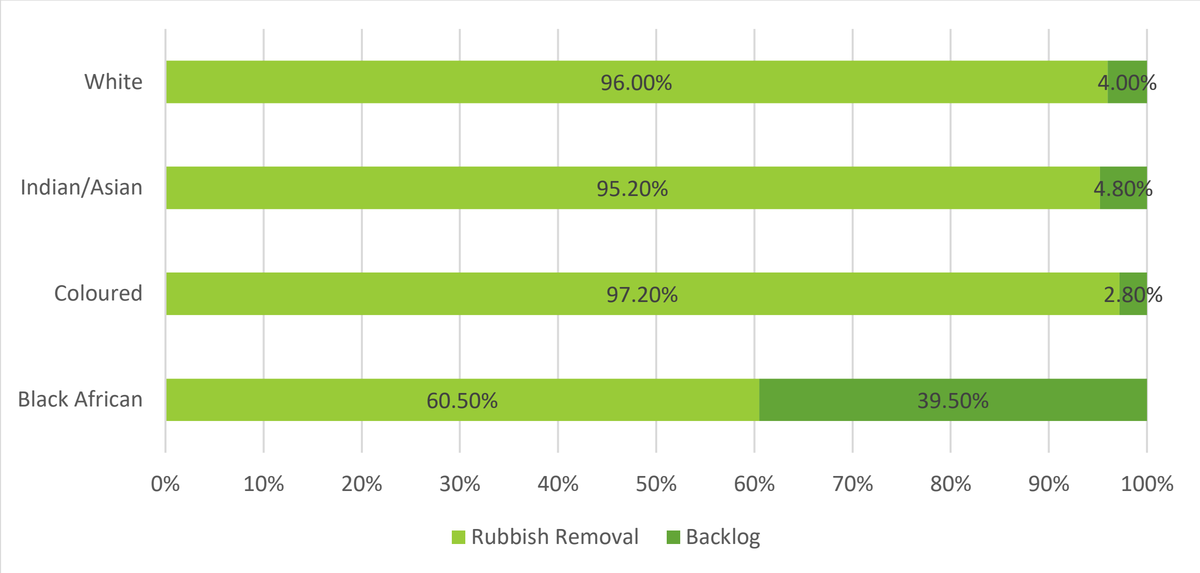


Figure 75: Waste Removal access across population groups
Source: Quality of Life 7, GCRO

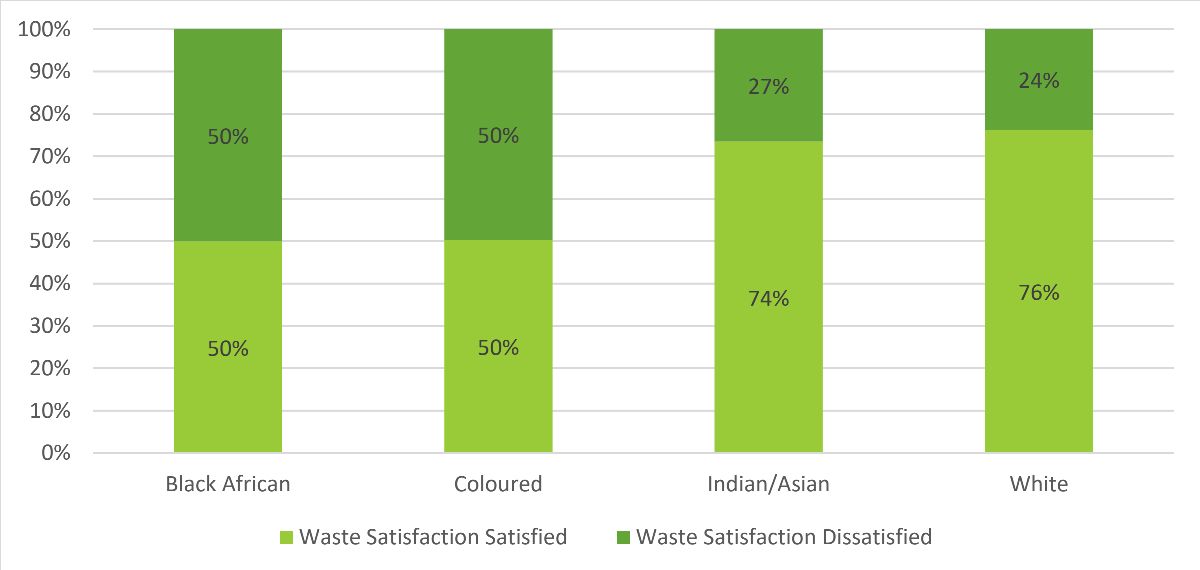


Figure 76: Waste Removal Satisfaction by population group
Source: Quality of Life 7, GCRO

2.4.5 Electricity Access

Electricity access is a contentious issue as it is a vital part of our daily life. It is important for any economic development strategy to consider access to this service. Approximately 84% of households across the city have access to mains electricity, whether prepaid or post-paid. Region 7 has the highest rate of access at 93,6%. Region 5 and Region 6 have the lowest rate of access at 65,5% and 79,4% respectively, with all other regions having access of more than 80%. The satisfaction rating on this service, given the complexity of the space, is acutely dampened. Electricity access is compromised by such issues as ageing infrastructure, cable theft and the unreliability of the service. The satisfaction score recorded for the City as a whole is 49%. This represents the only reported service that does not have a majority satisfaction score. The lowest satisfaction scores are recorded in Region 1 and 2.

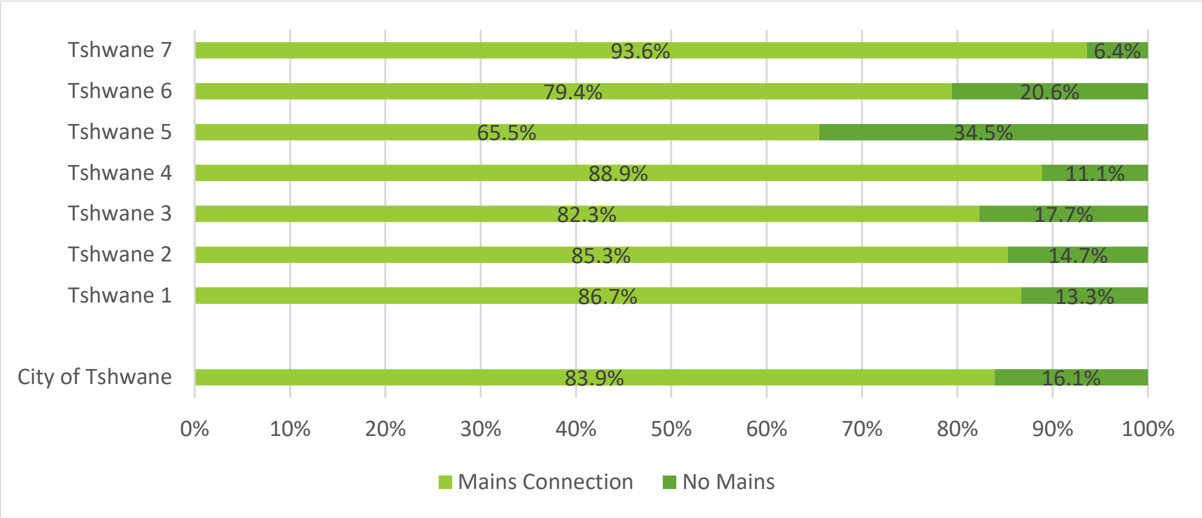


Figure 77: Electricity Access across regions
Source: Quality of Life 7, GCRO

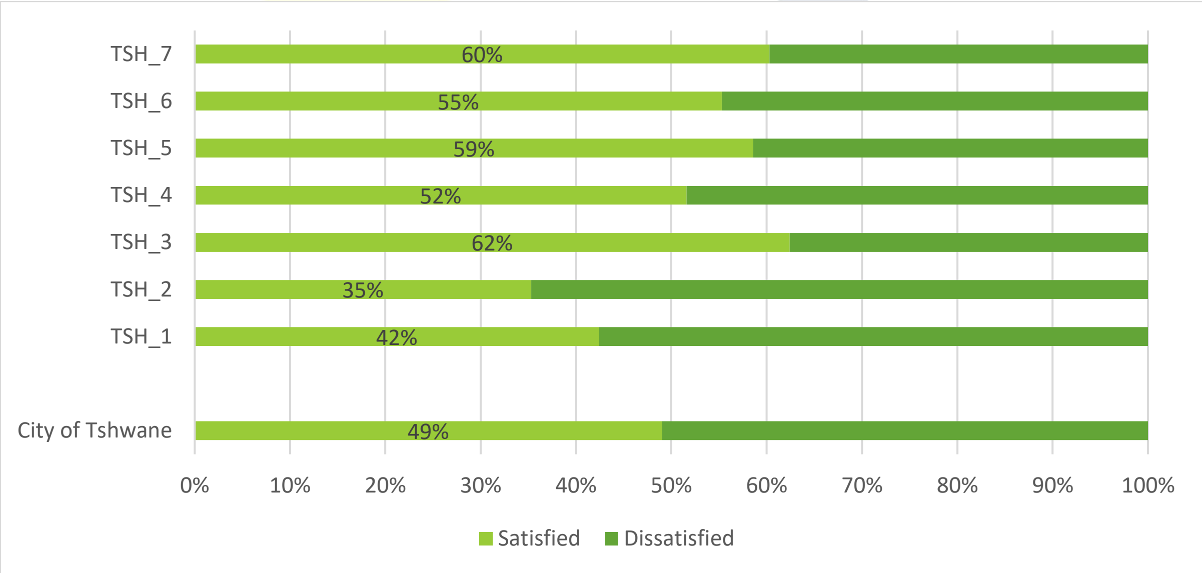


Figure 78: Electricity Satisfaction across regions
Source: Quality of Life 7, GCRO

Looking at it through the lens of population group, we note an access discrepancy again affecting Black households. The discrepancy notably records less access for Blacks than for other population groups (80,7%). The greatest dissatisfaction with this service is voiced by Indian/Asian households with 60%. They are the only group who reported dissatisfaction in the majority.

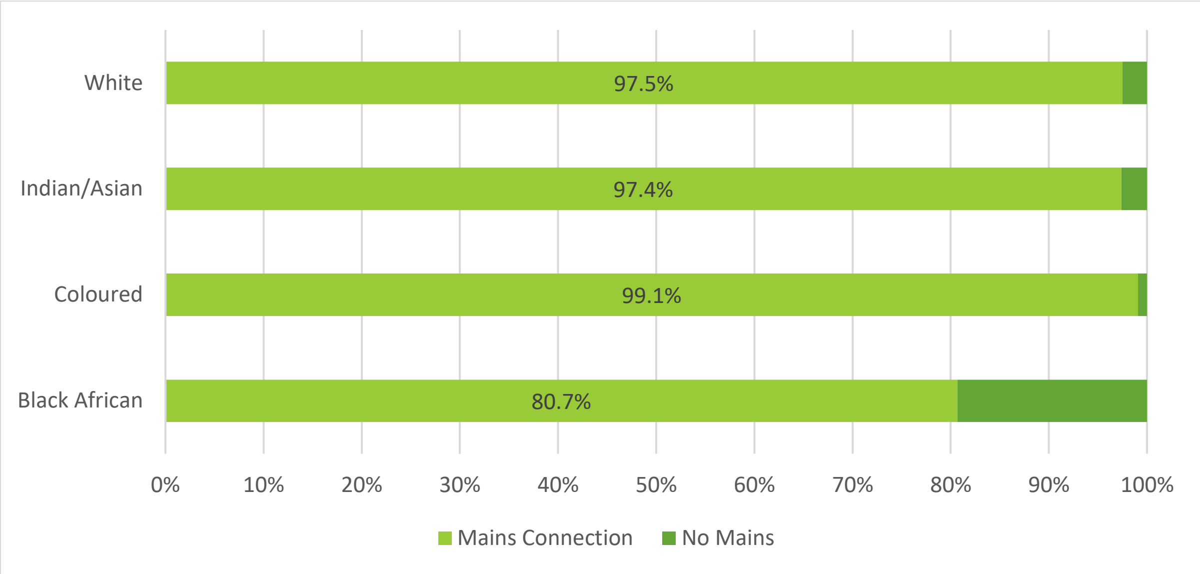


Figure 79: Electricity access by population group
Source: Quality of Life 7, GCRO

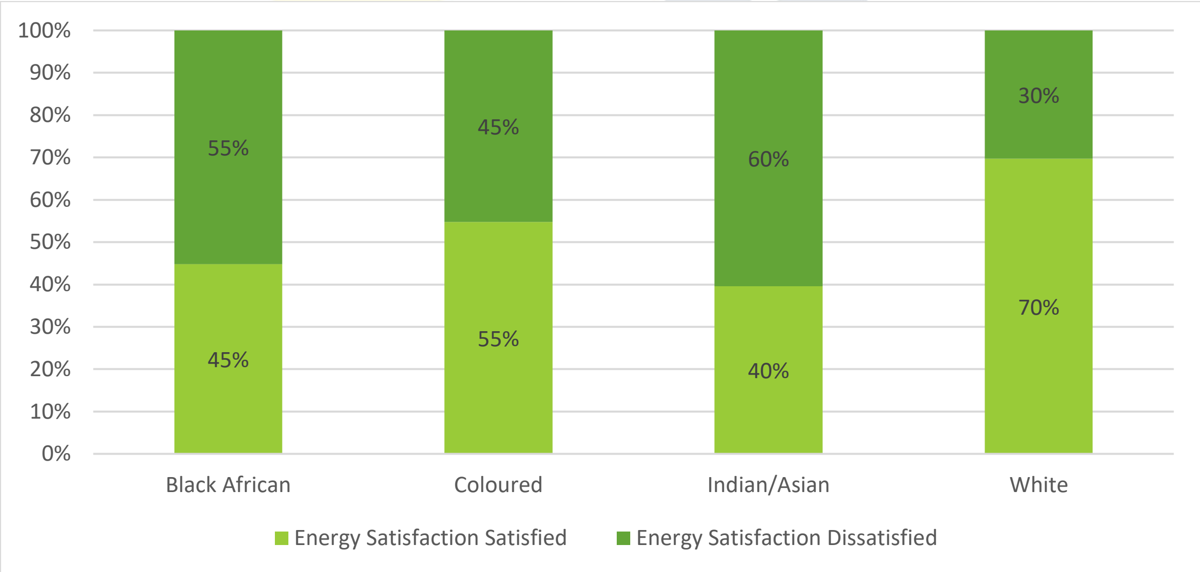


Figure 80: Electricity Satisfaction by population group
Source: Quality of Life 7, GCRO

3 Spatial economic development considerations

Economic development activities take place within a space. It is therefore important to ensure that the economic development agenda or strategy and the City of Tshwane's spatial vision as outlined in the Spatial Development Framework (SDF), are aligned. The SDF provides spatial interpretation of desired growth and development directions for the city. It spatially focuses economic and infrastructure development and gives spatial expression to key development plans. Prioritisation within the SDF is built upon a network of nodes and corridors.

Nodes are those parts of the city where development should be focused. The widest variety of services and opportunities should be provided at nodal points, at degrees relative to their nodal status. An important distinction is made between four main nodal typologies at the metropolitan scale:

- Capital Core - the Tshwane Inner city is identified as the Capital Core as it is the city's first order node amongst all metropolitan nodes.

- Metropolitan nodes - These are primary nodes of the highest order. They accommodate the highest degree of service specialisation and offer the widest range of services. Often, metropolitan nodes will have regional/provincial relevance. In the Tshwane context, Metropolitan nodes are those nodes within the city (economically) benefiting primarily from the investment of the private sector. Equally important is that these nodes serve as economic hubs and focal points for employment opportunities.

- Urban Cores - During apartheid, these so-called *township* areas were developed because of forced relocation programmes. Inevitably, these townships, which are the urban cores, grew to accommodate large populations of low-income or those who are unemployed. The Capital Expenditure Framework (CEF), 2023/24 – an implementing leg of the SDF- shows that the highest densities of people over the past 30 years have been and remains concentrated in the urban core. This underscores the fact that individuals and communities, particularly in these areas, need support from public institutions.

- Specialised Activity Areas - these are nodes comprised of a significant portion of the City's economic network. They are characterised by largely mono-functional land uses taking up large, concentrated and defined spaces. The character of the areas ranges from industrial to high technology smart industries, medical facilities, and educational and research facilities. It is important to acknowledge these specialised activity areas not just in terms of their scale, but because of their sphere of influence in terms of generating movement, opportunities and linkages with other areas. A total of 40 industrial parks/areas are situated throughout the City. All these areas are critical role players as part of economic development, job creation and income-generating streams for the City. Special emphasis should be placed on proper service delivery to these areas through the establishment of Internal Municipal Services Districts (IMSD).

Table 11: Tshwane Nodes

Nodal typology	Nodal area	
Capital Core	Central Business District or Inner City	
Metropolitan Nodes	Akasia; Kolonnade; Brooklyn; Hatfield; Menlyn; Centurion; Bronkhorstspruit	
Urban Cores	Hammanskraal/Temba; Mabopane/Soshanguve; Kopanong/Soshanguve south; Ga-Rankuwa; Atteridgeville/Saulsville; Mamelodi; Ekangala; Refilwe, Zithobeni; Olievenhoutbosch	
Specialised Activity Areas	Industrial Estates	Babelegi; Ga-Rankuwa; Rosslyn; Klerksoord; Kirkney; Hermanstad; Pretoria Industrial; Sunderland Ridge; Rooihuiskraal; Irene; Hennopspark; Samcor Park; Waltloo; Silvertondale; Koedoespoort; Silverton; Ekandustria.
	Research, Innovation, Education and Technology Institutes	Council for Scientific and Industrial Research (CSIR) and Innovation Hub (Blue IQ); Highveld Technopark; Human Science Research Council (HSRC); George Mukhari Academic Hospital; Onderstepoort Research Laboratory/Veterinary Institute; Steve Biko Academic Hospital; Tshwane University of Technology; University of Pretoria; Thaba Tshwane
	Airports	Waterkloof Air Force Base; Zwartkop Air Force Base
	Tourism Nodes	Dinokeng Nature Reserve; Cullinan

Source: Draft Tshwane Regionalised Spatial Development Framework, 2024

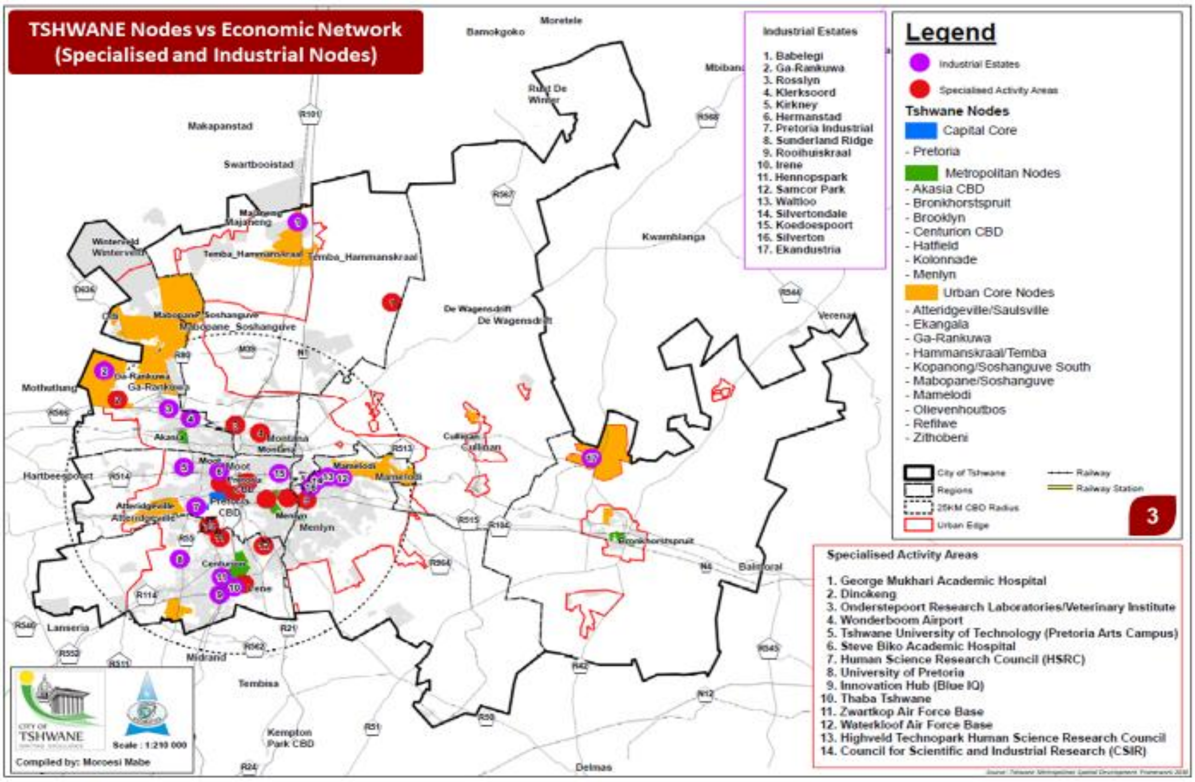


Figure 81: Tshwane Nodes

Source: Draft Tshwane Regionalised Spatial Development Framework, 2024

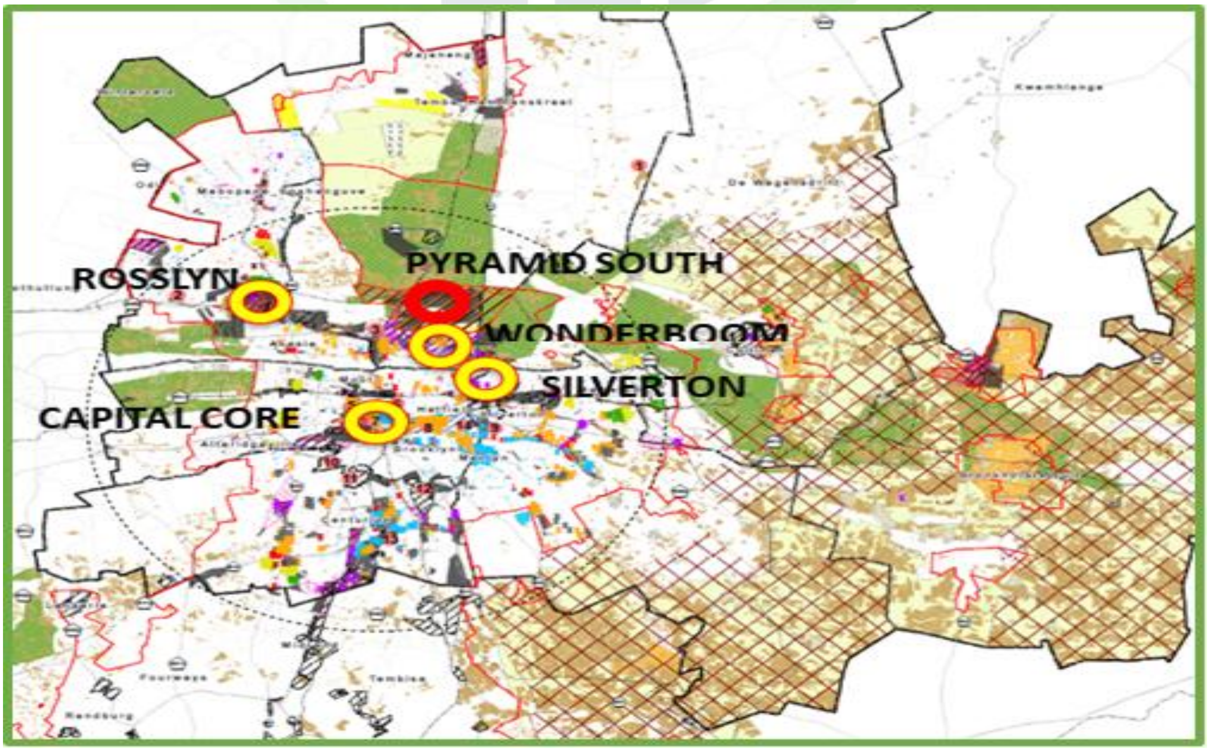


Figure 82: Economic Development Quadrants

Source: Draft Tshwane Regionalised Spatial Development Framework, 2024

In terms of future investment in infrastructure to ensure both energy and water security, a city-wide response is required. Region 6 is a priority in this regard from the perspective of the rate and scale of development that is taking place there. During the 2023/2024 financial year, the City received a total of 2244 development applications. The bulk of these were received in region 6 (814), followed by region 3 (390) and region 4 (376) whereas regions 2, 5 and 7 had the lowest number of applications: 268, 103 and 43, respectively. Regions 5 and 7 need to be prioritised for water security in order to ensure that the high agricultural potential that is found in these areas responds to food security needs not only of the city but also the province and the country, as indicated in the National Spatial Development Framework.

Region 1 and Rosslyn specifically host 4 OEM's and is also earmarked to become part of the Tshwane Auto City planning. Region 1 and Rosslyn will also be prioritised.

Mobility is one of the most fundamental and important characteristics of economic activity as it satisfies the basic need to move from one location to another. Mobility is needed by passengers, freight and information and correctly targeted infrastructure investment assists in that regard. The SDF identifies a number of 'corridors' for targeted investment. At a city-wide level, these are the Roads for Growth and the Integrated Rapid Public Transport Network (IRPTN) linkages, particularly those of the BRT.

However, **Rail infrastructure revitalisation** within the City is a key economic factor, especially for the industrial community. In this regard, the strategy indicates a strategic shift from road container transportation toward rail-based container logistics, which will also assist with sustained growth with lower environmental impact – CO_2 emission reduction, infrastructure protection, increased road longevity, economic efficiency and laying the foundation for trade expansion into Africa.

Aligned with this strategic shift would be ensuring the urgent linking of the **Maputo Development Corridor** and Tshwane as one of the most industrialised Cities in the country and on the continent.

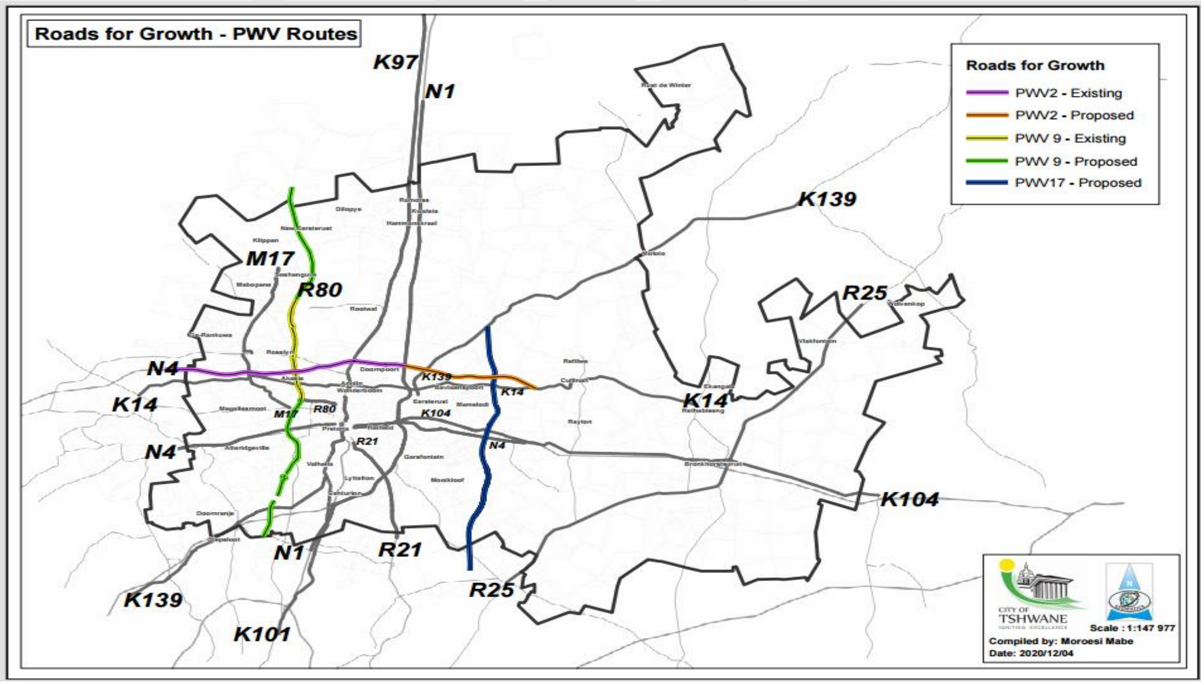


Figure 83: Roads for Growth
Source: Draft Tshwane Regionalised Spatial Development Framework, 2024

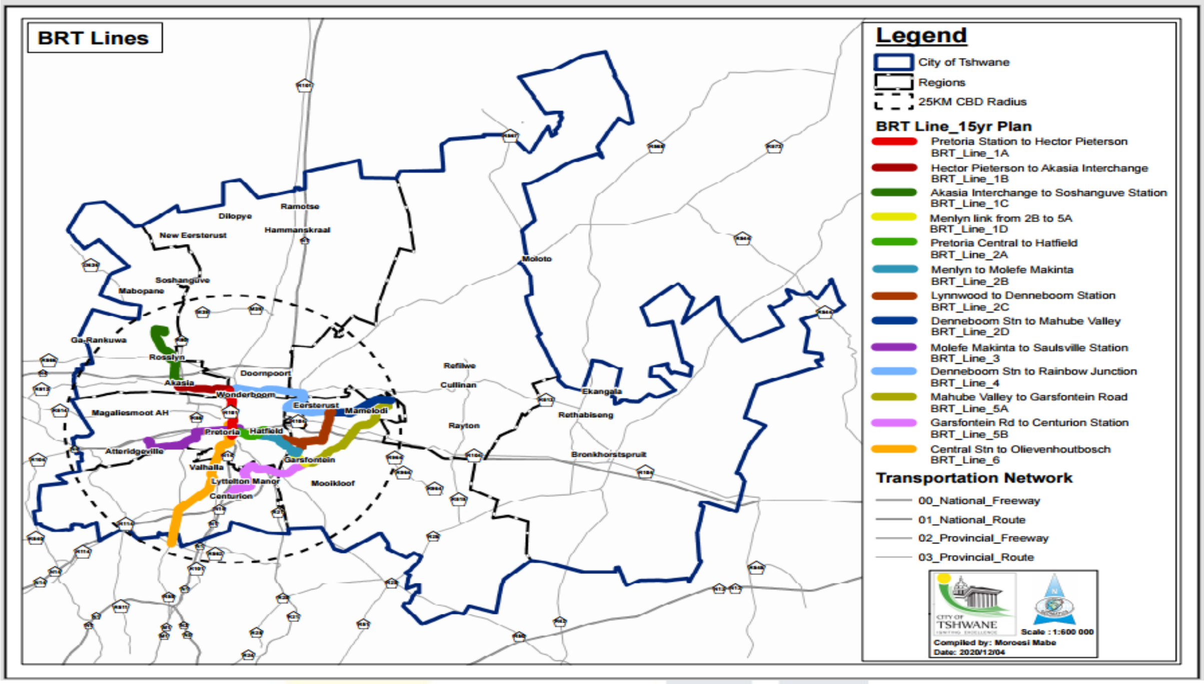


Figure 84: IRPTN Phasing

Source: Draft Tshwane Regionalised Spatial Development Framework, 2024

3.1 Designated areas to promote township economic

To promote township economic development in line with national and provincial directives/legislations, the draft Regionalised Spatial Development Framework, 2024 earmarked areas identified as “designated areas” in all the seven (7) City of Tshwane regions. The concept of “designated areas” aligns with the Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA), Standard Draft By-law for Township Economies and the Gauteng Township Economic Development Act, 2 of 2022.

The targeted areas include the following:

- Townships that are generally located in the periphery of the city,
- Low-income housing settlements (including traditional/tribal settlements) – generally not fully functional neighbourhoods with limited socio-economic activities.
- Informal settlements and unproclaimed townships located in the disadvantaged areas.

Table 12: Areas targeted in designated areas

Categories	Township type	Characteristics/criteria
A	Proclaimed township	• Characterised by wide-spread poverty and economic deprivation. • In possession of a Tittle deed or Deed of Grant • Located away from job opportunities. • Erven provided municipal services: electricity, water, and sanitation. • Limited or no social facilities • Erven are zoned in line with the Tshwane land Use scheme.
B	Un-proclaimed township	• Characterised by wide-spread poverty and economic deprivation.

Categories	Township type	Characteristics/criteria
		• Township not proclaimed, however, in some instances approved Surveyor General Plan (SG) diagrams exist. • Serviced in full or in part with municipal services - (bulk) infrastructure. • Limited or no social facilities • In certain instances, residents are in possession through a Deed of Grants (former homeland) or through a Permission to Occupy (PTO). • In some townships erven are zoned and in other townships, there is no zoning in place, only conditions of township establishments exist.
C	Informal settlements	• Characterised by wide-spread poverty and economic deprivation. • No approved township application and/or Surveyor General Plan (SG) diagram. • No municipal services. However, some informal settlements are partly/fully serviced with municipal services (electricity, water and sanitation). • Residents rely on water tankers, communal taps, some on boreholes, septic tanks, or pit toilet. • No social facilities • In certain instances, informal settlements are located on undevelopable land. • Only the main/mother property (agricultural holding, farms portion) is zoned.
D	Traditional/Tribal Authority/Land	• Characterised by widespread poverty and economic deprivation. • No approved township application and/or Surveyor General Plan (SG) diagram. • No full municipal services or services with electricity and potable water • The community communally occupies the land under traditional leadership. • The stands within the settlements are not surveyed and, in some areas, no zoning certificate exist for individual plots; only the mother property/ or farm portion is zoned. • Permission To Occupy (PTO) from the tribunal council/traditional authority is the main form of ownership.
E	Farm dwellers/farm dwelling	• The community communally occupies the land under private ownership. • The area originates from farm dwellers who are/were working on the farm. • No services

Source: Draft Tshwane Regionalised Spatial Development Framework, 2024

Shortened land development procedures shall be developed for all land development applications to ensure compliance to the city's land use scheme and the by-law.

Figure 85: Uses promoted in designated areas
Source: Draft Tshwane Regionalised Spatial Development Framework, 2024

4 Regulatory and operating environment

4.1 Industrial Policy & Strategy Review Transforming

In May 2024, the Department of Trade and Industry published an "Industrial Policy & Strategy Review - Transforming Vision into Action: Charting South Africa's Industrial Future". To advance the Reimagined Industrial Strategy will require adaptation to the emerging trends. The Strategy identified the South African economy's growth sources and these also apply to the City of Tshwane (See figure below for further details).

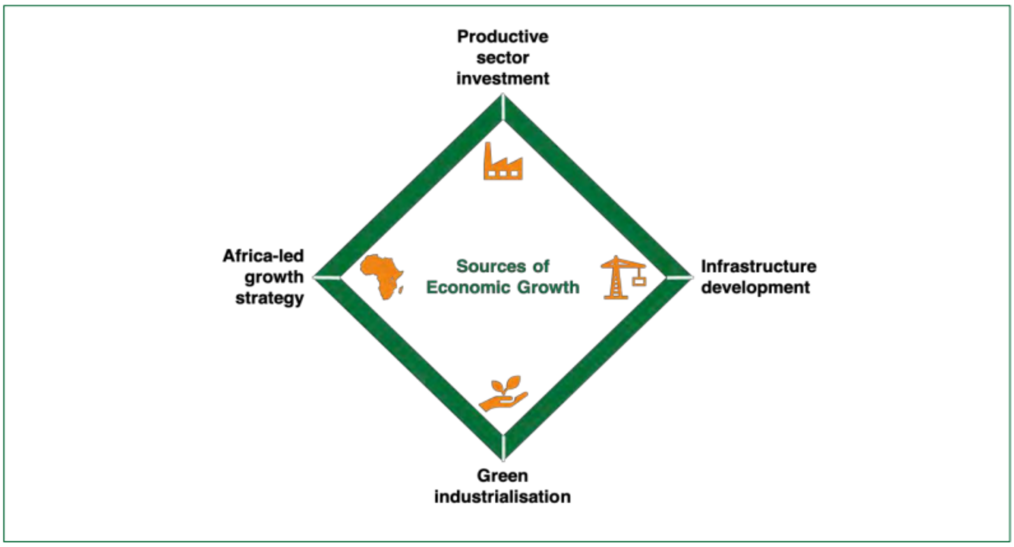


Figure 86: Source for economic growth in South Africa
Source: DTIC, 2024

The strategy further identified the following cross-cutting measures, thus serving to address weaknesses and unlock growth in the priority sectors detailed, namely, infrastructure development, expanding industrial and economic investment, reforming government support and incentives for new investment, promoting transformation and economic inclusion, accelerating green industrialisation with a just transition and the harnessing of critical minerals, pivoting to an Africa-led growth strategy that leverages the AfCFTA, trade diplomacy, the digital economy and Artificial Intelligence (AI), labour market and skills development for a new economy, strengthening industrial policy in secondary cities, and improving state capacity through a new approach to projects and support with technical standards.

In addition, the Strategy identified key priority economic sectors to accelerate growth. These are energy, oil, gas and the chemicals industry, Green hydrogen, Green industrialisation, and climate sustainable technologies, The automotive industry, Mining equipment, Heavy transport equipment, including trucks and trains, Steel and metal fabrication, Retail, Clothing, Textiles, Footwear and Leather, Food and beverages, Sugar and downstream industrial products, Poultry, Consumer durables and electronics, Furniture, forestry and timber industries, Pharmaceuticals, Cosmetics, skincare, haircare and other fast moving consumable goods (FMCG), Medical Devices, Advanced Manufacturing, Global Business Services and other digital services, Film production, music and fashion, Export of Professional services and Oceans economy.

A key strategic intervention to support the re-industrialisation of Tshwane would be the establishment of an Export Desk, a one-stop shop for all the City's stakeholders who wish to export their goods and services manufactured in Tshwane.

4.2 Standard Draft By-Law for Township Economies, 2024, as published in the Government Gazette on 7 November 2024 (Gazette number 51529)

Recent studies estimate that South Africa's township economy is worth approximately R100-900 billion annually, highlighting its significant contribution to the national GDP. Townships, home to millions of South Africans, are bustling hubs of entrepreneurial activity and innovation. The township economy is a lifeline for many families in South Africa, contributing to employment and income for approximately 2.5 million workers. It also contributes an estimated 6% to GDP. Unfortunately, the township economies are facing numerous challenges including, lack of access to financial products and services, low productivity, limited access to markets, low government support and lack of appropriate technology. In addressing the township economy challenges, the Minister of COGTA introduced the Standard Draft By-Law for Township Economies, 2024, as published in the Government Gazette on 7 November 2024 (Gazette number 51529), which outlines the following objectives: (a) facilitate inclusive spatial and economic development in townships; (b) harmonise the township ecosystem and provide norms and standards for the establishment and management of township-based enterprises both formal and informal; (c) raise awareness of applicable laws and regulations affecting township businesses; and (d) support small businesses to grow and participate in mainstream economic activities.

4.3 Township Economic Development Act (TEDA), Act 2 of 2022

The Gauteng Provincial Government passed the TEDA on the 11 April 2022, which seeks, in the main, to facilitate access to economic opportunities and promote inclusive economic growth to all people in the Republic who reside in Gauteng, specifically in the townships. It aims to provide a regulatory framework to address spatial fragmentation and economic exclusion of the townships by creating a conducive environment for economic participation in business, employment opportunities and infrastructure development.

Key in unlocking economic opportunities and addressing structural challenges of the township economy, the TEDA provides 5 strategic focus areas linked on the integration of township businesses into the mainstream economy:

- **Designation of township areas** to provide economic infrastructure, such as township economic zones, for township businesses to benefit from economies of scale. It will also ensure the ring-fencing of support from both the government and private sector, which will enable the targeting of programmes to uplift the townships;

- **Economic activities reserved for citizens of or persons with permanent residency status** to deal decisively with massive unemployment, capital flight and growth of enterprises in the townships. This strategic focus also aims to uplift communities and businesses residing in the townships;
- One of the Act's focal points is to **provide regulation of township-based businesses** through licensing of township businesses, the display of those licences and to ensure compliance with tax and CIPC registration. This is meant to ensure that township enterprises transition from mainly operating informally (where the government or private sector finds it difficult to provide structural support) to formal township enterprises;
- Township businesses in the main operate outside of the mainstream economic setup and as a result, the Act makes provision for the **promotion and development of township enterprises**. It provides for setting up better procurement rules and support for the government and its contractors to buy from large groups of township-based business entities; and
- The Act (TEDA) makes provision for the establishment of the **Township Enterprise Fund** to address the key challenge of lack of funding for township businesses. It sets up a dedicated financing mechanism to establish a Small Medium Enterprise Fund (SME) to provide wholesale, blended finance to intermediaries that can de-risk lending to township-based firms.

Furthermore, Chapter 4 of TEDA, provides that the MEC and other organs of the state should provide the following support to township businesses, namely:

- Finance assistance,
- Development of infrastructure (worksites, social amenities, business information centres, model centres of excellence, common usage and other facilities),
- Letting of buildings and premises,
- Capacity building programme,
- Development of markets and provision of marketing services, and
- Technology transfer or acquisition.

5 Operating environment

The City of Tshwane has the following competitive advantages which need to be harnessed to enhance economic growth and to facilitate the creation of much-needed employment opportunities for all, focusing on developing opportunities for the youth:

- We are home to four main universities (the University of Pretoria, University of South Africa, Tshwane University of Technology and Sefako Makgato Medical University of South Africa), private higher educational institutions such as Eduvos, Varsity College and Stadio and TVET colleges which boosts over 500,000 students **(Student Economy).**
- Tshwane is home to over 134 embassies and high commissions which is the second largest after the Washington DC in the United States of America **(Diplomatic Economy).**
- Tshwane is the Administrative Capital of South Africa and it is home to all government spheres,

namely; national, parastatals and provincial departments **(Government Economy).**

- We have a thriving research and innovation environment, with the Council of Scientific and Industrial Research (CSIR), the Human Science Research Council, the South African Bureau of Standards, the Innovation Hub and different research institutions housed at universities within our borders **(Innovation City).**

- Tshwane is home to six (6) original equipment manufacturers (BMW, Nissan, Ford, Iveco, BAW, MAN) as well as most of the major truck and bus manufacturers as compared to three (3) in the KwaZulu Natal (Toyota, Mahindra, Volvo) and four (4) in the Eastern Cape (VW, Isuzu, Mercedes Daimler, Mitsubishi). We are also a home to Africa's first automotive City – Tshwane Automotive Special Economic Zone (TASEZ) in **Silverton (Automotive City).**

- **Municipal assets** – The City of Tshwane has municipal assets which are currently underutilised. There is a need to explore opportunities for the strategic use of these immovable assets such as land and properties, for investment.

- **Tshwane Market –** Tshwane Market is the second biggest municipal owned fresh produce market in South Africa. There is a need to explore avenues to growth and decentralise this strategic asset for the benefit for the people of Tshwane **(Retail Markets).**

Despite the competitive advantages, the City of Tshwane faces critical challenges which require attention, namely:

- **High youth unemployment rate –** the unemployment rate in Tshwane for people under 24 years old was 60.7%, and for people between 25 and 34 years old it was 39.8% in 2024. The same people account for 36.5% of Tshwane's total population (1.21 million people). This requires that the government in partnership with the private sector should develop programmes dedicated to these people. Regions 1 and 2 has youth unemployment rate of 71.3% while Region 2 's unemployment rate is at 63.1%. **(Youth Development Programmes).**

- **Poverty amongst women –** 50.5% of the population in Tshwane are women and 37,5% of the households in the City of Tshwane are headed by women. The majority of them are living in abject poverty. Dedicated programmes to advance women empowerment are required to address this challenge **(Women empowerment programmes).**

- **Township economies –** Tshwane has over 200 proclaimed, un-proclaimed and informal settlements where the majority of people stay. Unfortunately, the level of unemployment and poverty is very high in these areas and the majority of business activities in these areas are informal and unregulated (Spaza shops, street trading, hair salons, guest houses etc). There is a need for dedicated economic development programmes for Township Economies as envisioned in the Township Economy Development Act (Act No 2 of 2022 and Standard Draft By-Law for Township Economies, 2024, as published in the Government Gazette on 7 November 2024 (Gazette number 51529) **(Township Economy Development Programme).**

- **Cross Border Industrial Parks –** The lack of traction on the intergovernmental relations (IGR) processes to resolve the dispute on the transfer and ownership of the cross border industrial parks is a serious concern for the City of Tshwane. The said parks are within the borders of the City of Tshwane, but are currently owned by the Mpumalanga and the North West provinces. Over the past 30 years, these parks were marred by infrastructure decline, high levels of private sector disinvestment as well as the highest level of job losses as a result of the pending transfer issues. These parks played a significant role to economic development pre-1994 and they can still make a significant contribution towards the economic agenda of democratic South Africa **(Cross Border Industrial Parks Programme).**

- **Economic infrastructure (roads, electricity, water etc) –** investments require the reliable and sustainable supply of economic infrastructure. Most of the planned investments are delayed due to lack of economic infrastructure such as water in Region 7 and road infrastructure in Rosslyn etc. **(Economic Infrastructure Programme).**

- **State of the inner city –** The City of Tshwane's inner city faces a number of challenges such as delipidated/bad/abundant/derelict buildings, poorly regulated informal trading activities, taxi industry challenges which negatively impact the investment climate. There is a need for programmes to address challenges in the Pretoria Inner City **(Inner City Revitalisation Programme).**

In addition to the competitive advantages and critical challenges, there are opportunities which are not fully explored by the City of Tshwane and they require urgent attention since they will create new growth and employment opportunities, namely:

- **Circular economy** – The majority of the Tshwane economy is linear with limited circular activities. This opens opportunities for the creation and adoption of circular economy principles in growing the Tshwane economy. The circular economy would introduce new businesses and employment opportunities which would contribute towards the City's economic growth and development (**Circular Economy).**
- **Digitisation of the economy** – the world is advancing towards digital development and the Tshwane economy is lagging behind. Like the circular economy above, the digital economy would also introduce new business and employment opportunities which contribute towards the City's economic growth and development (**Digital Economy).**

6 Our vision

The Vision of Tshwane's Economic Revitalisation Strategy is:

"Facilitating resilient, inclusive and sustainable economic revitalisation within the City of Tshwane by facilitating the provision of economic infrastructure, economic diversification, creation of decent job opportunities and ease of doing business within the regulatory environment".

7 Strategic objectives of the Tshwane Economic Revitalisation Strategy

The City of Tshwane's Economic Revitalisation Strategy will be guided by the following strategic objectives:

Sustainable Economic Infrastructure	Facilitate the provision of sustainable economic infrastructure (water, electricity, roads and stormwater) within the City of Tshwane's key economic nodes
Enterprise Development Support	To create a conducive business environment that fosters the growth and sustainability of small, medium and micro-enterprises through provision of dedicated enterprise development support
Township Economy	Facilitate the radical transformation of townships into diversified, inclusive, and sustainable wealth generating economic systems that promote micro, small, medium, and large enterprise development and actively contribute to Tshwane's economic and social development as envisioned in the Gauteng's Township Economic Development Act 2002 (Act No. 2 of 2022).

Public-Private Partnership	Collaborate with the private sector and diplomatic community for the revitalisation of the Tshwane economy
Inclusive Economic Growth	Facilitate a fairer and more inclusive economy which creates equal opportunities for all (Women, youth and people-living with disability)
Ease of Doing Business	Facilitate the creation of efficiencies that would improve cost and turnaround times of government services and improve overall government service delivery for local and international businesses
Workforce and talent Development	Collaborate with the educational institutions to develop the skills for the economy to ensure continuous workforce and talent development
Inner City Revitalisation	Strengthening the position of the inner city as a critical business and residential node by strengthening inner city precincts and improve the quality of the built environment across the inner city through capital investments in selected precincts, by overseeing integrated investments by other departments and entities, and by facilitating partnership initiatives
Economic Diversification and Industrialisation	Facilitate the building of robust, resilient, and sustainable Tshwane economy through the promotion of economic diversification and industrialization within the priority economic sectors
Innovation and Investment	Foster economic growth, enhance productivity, and ensuring long-term prosperity in the Tshwane economy through the enhancing innovation and investment
Rural Development	Facilitate sustainable development and re-development of Tshwane rural areas that to address service delivery backlogs and improve livelihoods and employment opportunities

Figure 87: Strategic Objectives

7.1 Pillars/Priority Economic Sectors of the Tshwane Revitalisation Strategy

PILLARS	INTERVENTIONS
TOURISM AND MICE	• Product development • Marketing • Skills development • Develop cultural hubs and township tourism route • Support local artisans through funding and digital platforms. • Promote cultural tourism via strategic branding. • Create eco-tourism routes and green spaces. • Use renewable energy in tourism infrastructure. • Train local communities as eco-tourism operators.
DIPLOMATIC ECONOMY	• Upgrade diplomatic infrastructure • Host international trade expos and cultural exchanges. • Facilitate economic diplomacy initiatives.
AUTOMOTIVE SECTOR	• Expand the Rosslyn SEZ for electric vehicle (EV) production • Develop a local EV supply chain. • Transition to green manufacturing.
AGRICULTURE AND AGRO-PROCESSING SECTOR	• Develop agri-processing hubs. • Integrate small-scale farmers into value chains. • Promote water-efficient farming and renewable energy. • Promote innovative agricultural activities. • Revitalise agri-parks and develop farmer support production units.
CONSTRUCTION SECTOR	• Development and implement a Shortened land development procedures for township and small businesses. • Fast track the implementation of phase 2 of the New Applications Processing System (NAPS)
RESEARCH AND INNOVATION	• Partner with research institutions and academia • Innovation mile
INFORMAL SECTOR AND TOWNSHIP ECONOMY	• Registration of the businesses • Raise awareness of applicable laws and regulations affecting informal businesses • Providing a range of facilities, capacity building and enterprise support systems • Conduct a survey • Encourage Bulk Buying
CIRCULAR ECONOMY	• Promote adoption of circular economy principles within the City's key industrialists • Implement Circular Economy principles in the City's waste management programme.
DIGITAL ECONOMY	• Digital hubs • Improve access to digital skills and invest in enabling the environment for digital transformation.
STUDENT ECONOMY	• Build affordable student housing. • Establish entrepreneurship hubs for students • Align academic programs with industry needs. • Develop R&D hubs and promote start-ups. • Digitize public services using smart technologies.

7.1.1 Tourism and MICE

- Product development
- Marketing
- Skills development
- Develop cultural hubs and township tourism routes.
- Support local artisans through funding and digital platforms.
- Promote cultural tourism via strategic branding.
- Create eco-tourism routes and green spaces.
- Use renewable energy in tourism infrastructure.
- Train local communities as eco-tourism operators.

7.1.2 Diplomatic economy

- Upgrade diplomatic infrastructure.
- Host international trade expos and cultural exchanges.
- Facilitate economic diplomacy initiatives.

7.1.3 Automotive sector

- Expand the Rosslyn SEZ for electric vehicle (EV) production.
- Develop a local EV supply chain.
- Transition to green manufacturing.

7.1.4 Agriculture and Agro processing

- Develop agri-processing hubs.
- Integrate small-scale farmers into value chains.
- Promote water-efficient farming and renewable energy.
- Promote innovative agricultural activities.
- Promote rooftop farming activities.
- Revitalise agri-parks and develop farmer support production units.

7.1.5 Construction sector

- Development and implement a Shortened land development procedures for township and small businesses.
- Fast track the implementation of phase 2 of the New Applications Processing System (NAPS)
- Proactive land release for inner-city property development
- Demolition of bad buildings and abandoned buildings for inner-city rejuvenation

7.1.6 Research and Innovation

- Partner with research institutions and academia
- Innovation mile

7.1.7 Informal sector and township economy

- Registration of the businesses
- Raise awareness of applicable laws and regulations affecting informal businesses
- Providing a range of facilities, capacity building and enterprise support systems
- Conduct a survey
- Encourage Bulk Buying

7.1.8 Circular economy

- Promote adoption of circular economy principles within the City's key industrialists
- Implement Circular Economy principles in the City's waste management programme.

7.1.9 Digital economy

- Digital hubs
- Improve access to digital skills and invest in enabling the environment for digital transformation.

7.1.10 Student economy

- Build affordable student housing.
- Establish entrepreneurship hubs for students.
- Align academic programs with industry needs.
- Develop R&D hubs and promote start-ups.
- Digitise public services using smart technologies.
- Build academia-industry partnerships.

8 Intended and estimated impact of the Economic Revitalisation Strategy

The intentional implementation of this strategy has the potential to generate a space where growth can take place.

Implemented effectively it is likely that the City can record economic growth from 2% as a baseline to between 3,3% to 4,6% as a permanent impact. It is clear that there is potential to kick-start economic growth in the city and drive more impactful future development.

8.1 Assumptions

- The estimated impact was calculated using potential investment rand value expenditure into only 66 of the 94 projects listed in Annexure A;
- The real GDP figures are based on constant prices (2010 base) as well as subsequent growth rates;
- Maximum expenditure for a km of new road is R 20 million per km (high traffic road);
- Maximum expenditure for a km of new road is R 3,5 million (low traffic road);
- Additional work opportunities are calculated based on the average output per worker;
- The analysis is not dynamic and cannot consider shocks;
- Operating costs are assumed to equate to 10% of investment where applicable;
- Only projects are considered for the analysis where a monetary value can be attached;
- This does not account for the negative impact that inefficiencies in the system that can hinder the impact of the expenditure.

8.2 Baseline Growth

In 2023 the south African economy grew by 0,7%, a decline from the 1,9% growth in 2022. This slowdown was attributed to severe domestic constraints and reduced global demand, leading to contractions in mining and agriculture sectors. In 2024 the economy grew at a marginally slower rate ranging between 0,3% to 0,5%. Given the recent stability of the electrical grid we note that SARB estimates that economic growth for 2025 will likely be between 1,6% and 1,8% increasing to 2,5% in 2026.

The baseline forecast was conducted taking each sector's historical trend data and forecasting this for the period 2025 – 2029, utilising a simple univariate regression thus extending the existing pattern observed in the in-sample data 1996 – 2024. This allows for a business-as-usual model.

Figure 87 provides an outline of the business-as-usual results for the city's economic performance until 2029. The baseline shows that for the period 2025 to 2029 the expected growth rate for the city is just above **2%**. This is below the recorded 2014 figure showing that if nothing changes (Ceteris paribus), the city is likely not to reach a growth rate above the 2014 figure. It must be noted that while this is better than the previous five-year period, it is still not near the NDP target of 5,4%.

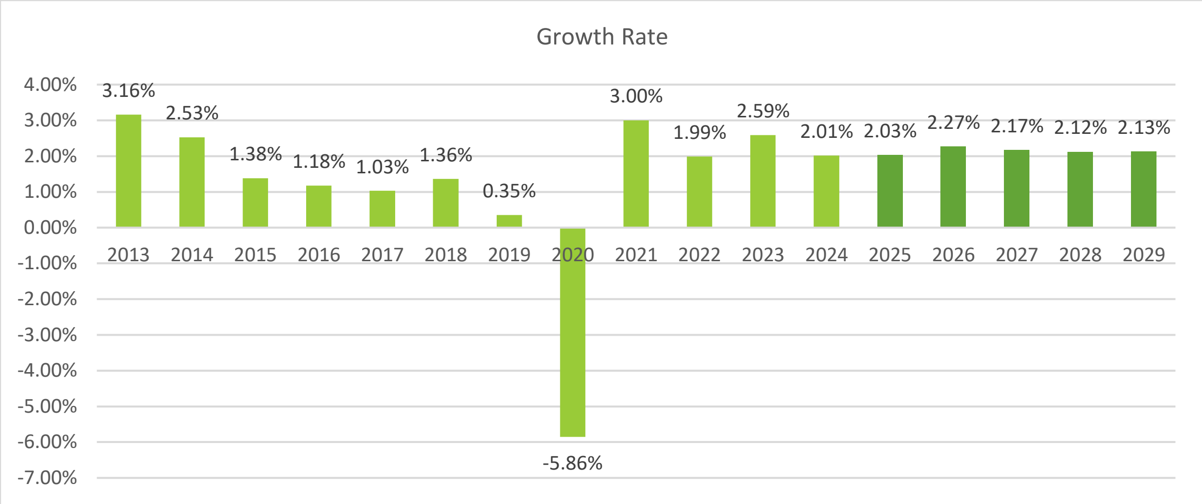


Figure 88: Baseline estimated growth rate
Source: Own calculations utilising IHS Regional explorer

8.3 Moderate Growth Scenario

Investment spending was allocated in a conservative manner into and where applicable operational expenses were tracked assumed at a 10% rate of investment. This provides us with an investment into the economy as outlined in the table below.

Table 13: Moderate Growth investment addition to the economy

Project	2025	2026	2027	2028	2029
Total	R5 483 902 025,00	R5 323 022 026,00	R3 043 717 027,00	R2 018 847 028,00	R1 918 217 029,00

Source: Own calculations

Taking these estimations and conducting step regression adding each year we obtain the first economic impact estimate of the strategy based on a conservative approach. We observe that in real GVA terms we see that output increases from R 299 billion to R 353 billion in contrast to the baseline estimation that only reaches R 333 billion. Taking the GVA data and indexing it with 2024 set as the base year we see that the business-as-usual case increases from 100 to 111, this represents an 11% increase in real terms over the period of the baseline assessment. Likewise, reviewing the moderate growth scenario we see an increase over the same period to 118 which represents an 18% increase, which is a 7% increase over the business-as-usual assessment.

Percentage growth rate shows that in 2029 the city will be growing at 3,3%. On average the growth rate between 2025 and 2029 is 3,3% as opposed to the baseline of 2,14%.

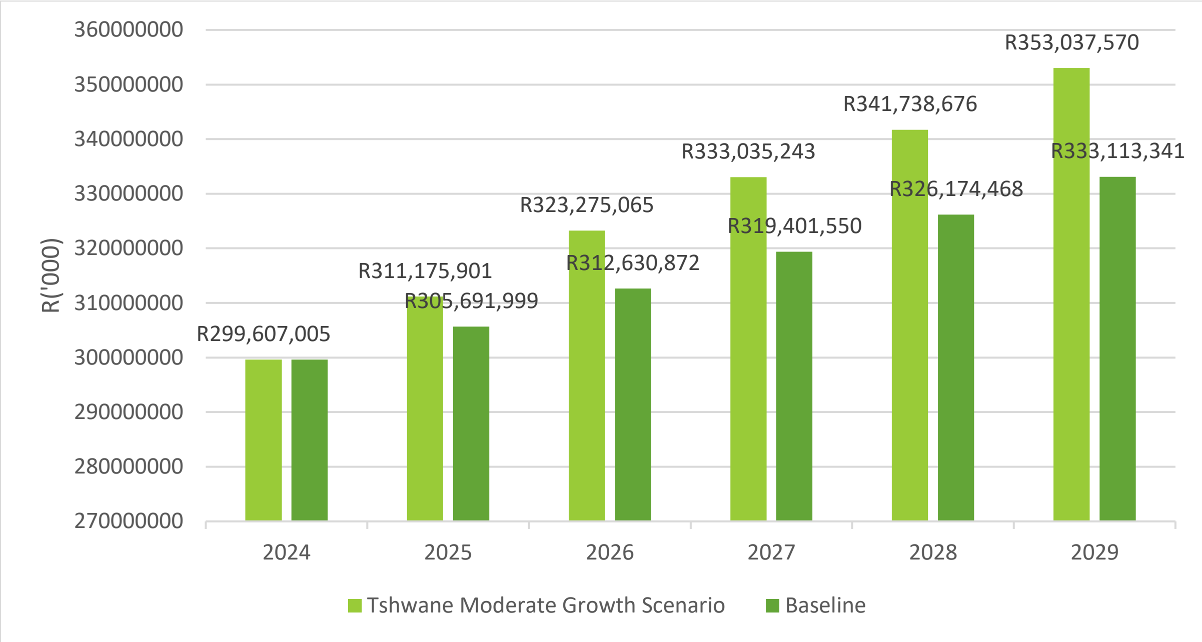


Figure 89: Real GVA Estimations for the moderate growth scenario
Source: Own calculations

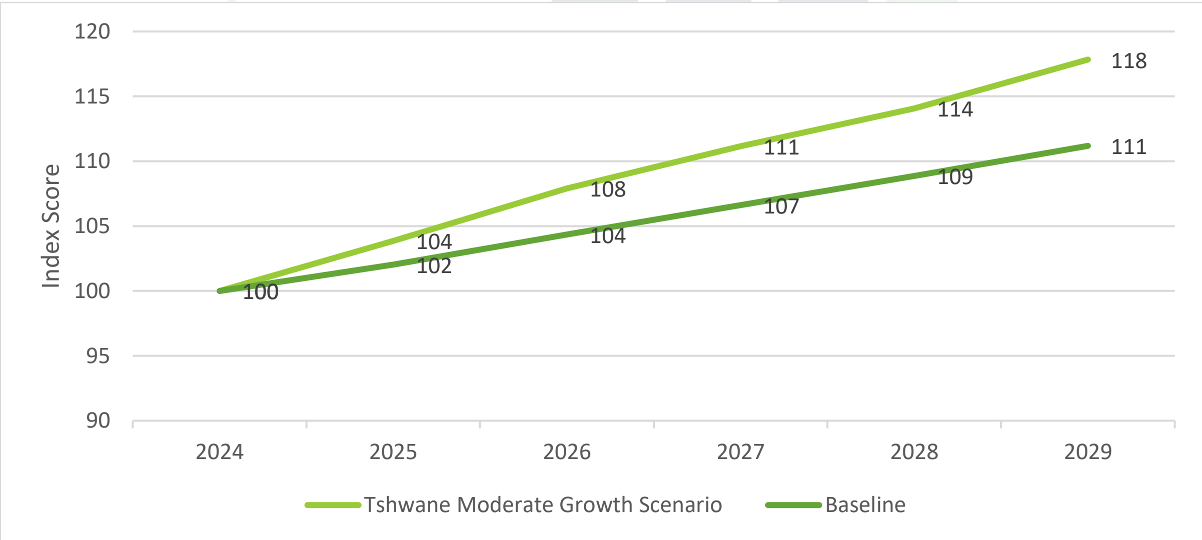


Figure 90: Indexed Real GVA comparison: Moderate Growth Scenario
Source: Own calculations

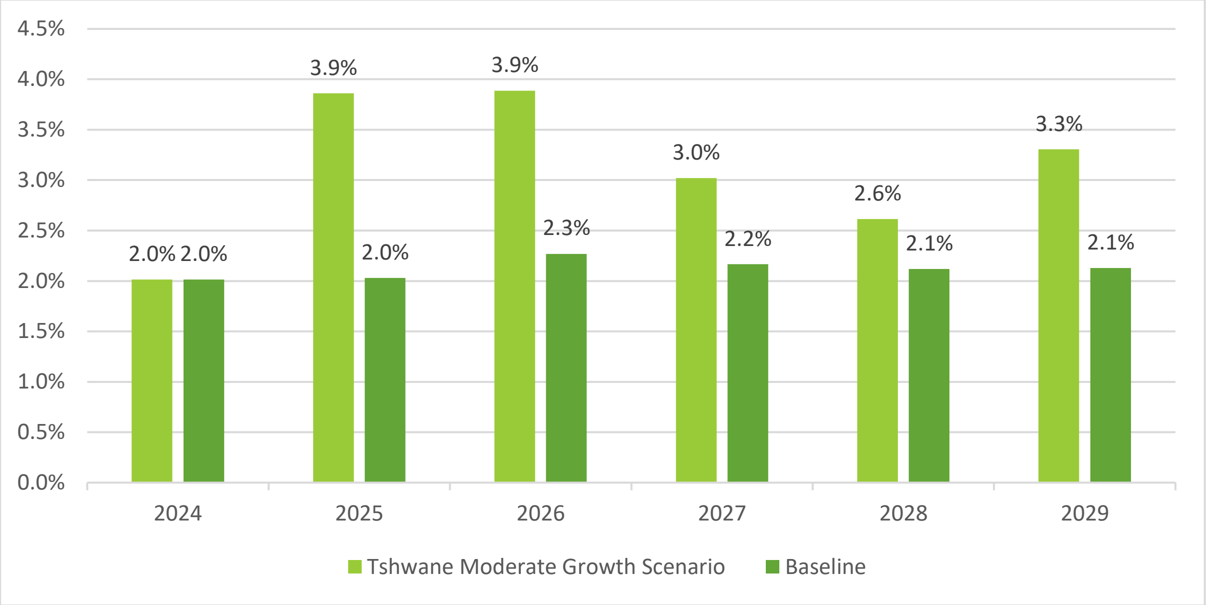


Figure 91: Moderate growth scenario growth rate comparison 2024–2029
Source: Own calculations

8.4 Upside growth Scenario

The investment figures for this scenario are contained in the table below that was used for input into this scenario forecast.

Figure 92: Upside growth investment addition to the economy

Project	2025	2026	2027	2028	2029
Total	R7 998 602 025	R7 723 802 026	R4 552 427 027	R3 526 927 028	R3 526 927 029

Source: Own calculations

Taking a look at real GVA output we see that if the Upside growth Scenario realises we can expect an increase in output of approximately R 72 billion over the 2025 – 2029 period as opposed to R 33 billion over the same period. This is calculated using the same 70% share of projects that were identified and is the upper bound of investment potential and is less likely to realise than the Moderate growth scenario. Considering the same output in an indexed form the baseline 11% increase remains unchanged but the Upside growth scenario now shows a 24% increase over the period showing a 13% increase above baseline as opposed to the 7%

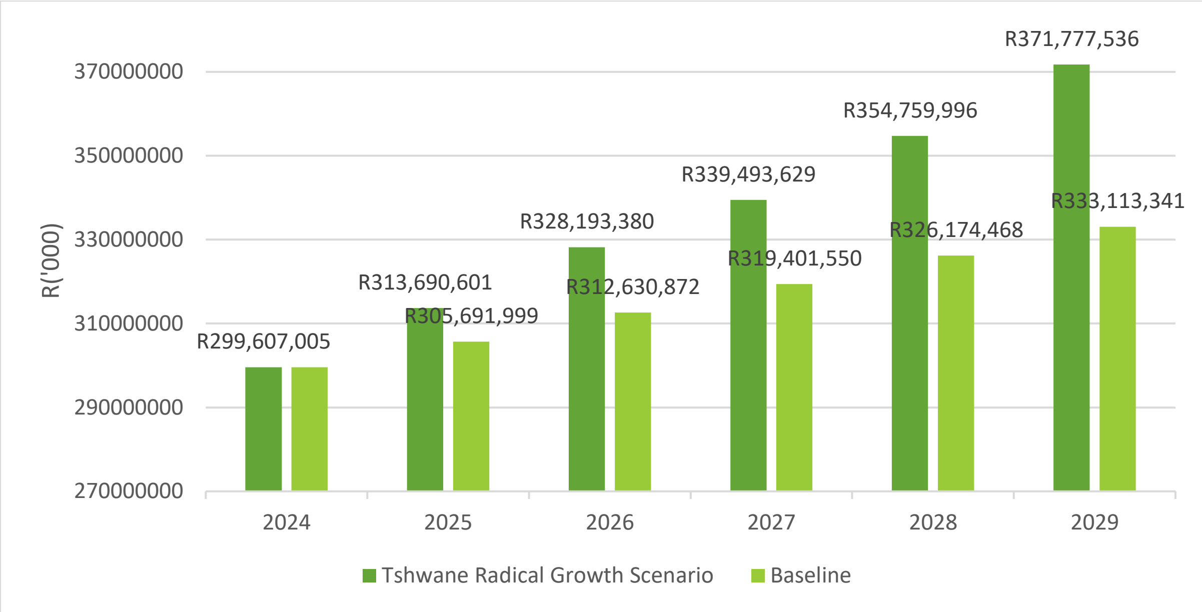


Figure 93: Real GVA Estimations for the Upside growth scenario
Source: Own calculations

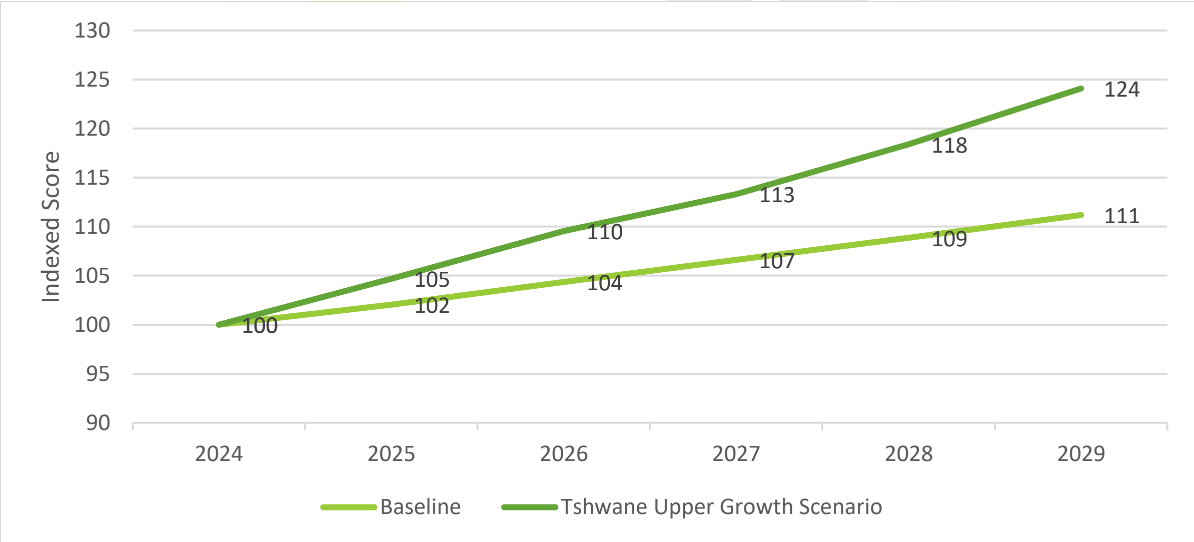


Figure 94: Indexed Real GVA comparison: Upside growth Scenario
Source: Own calculations

When looking at the percentage growth over the period we see that on average over the 2025 – 2029 period the city grows at 4,6% per annum. This is 1% less than the NDP target but is notably higher than the 2,06% average for the baseline assessment.

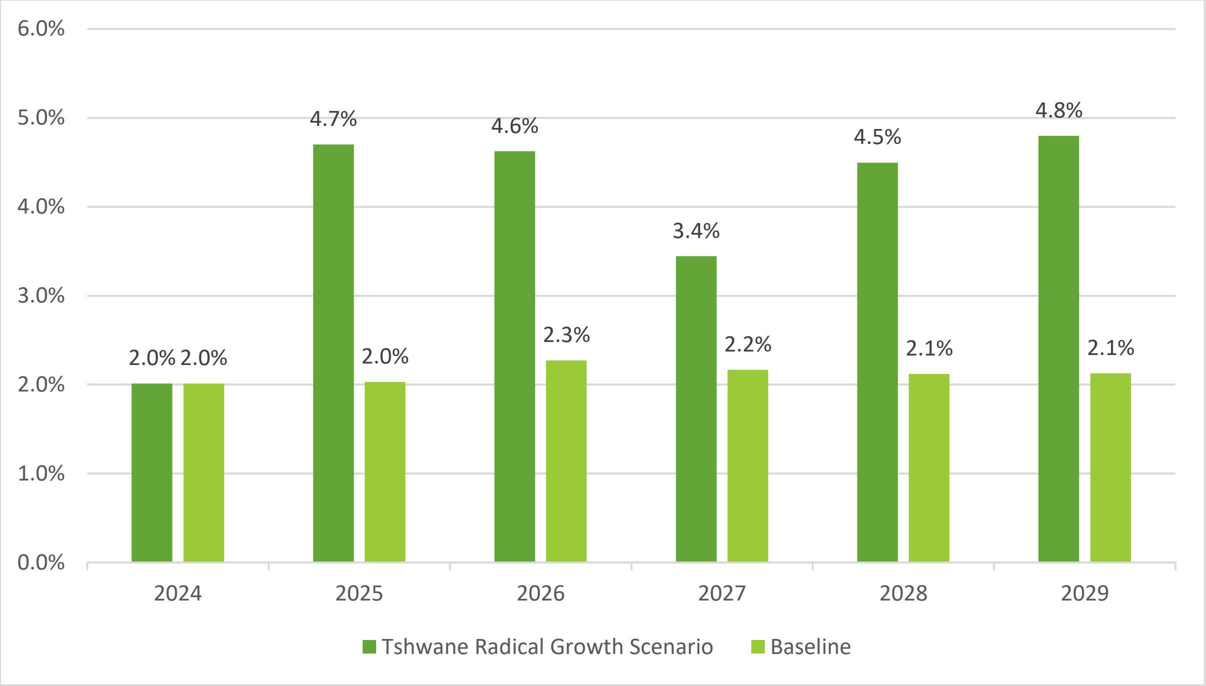


Figure 95: Upside growth scenario growth rate comparison 2024–2029
Source: Own calculations

8.5 Employment impact

Economic growth and job creation go hand in hand. This section provides employment estimates for both the moderate and upside growth scenarios.

To obtain estimates for potential job growth multiple approaches were considered, these approaches were evaluated and from this a range was crafted that the city feels provides real prospectus for employment growth. The approach was to consider different ways and adopt a range as such an approach is more prudent than providing a single point estimate.

Reviewing the annual average growth rate for 2025 – 2029 it is noted that in the baseline scenario employment growth is expected at 1,8% per annum and subsequently the moderate scenario is expected to grow on average 3% with the upside scenario showing a growth of 3,8% per annum on average.

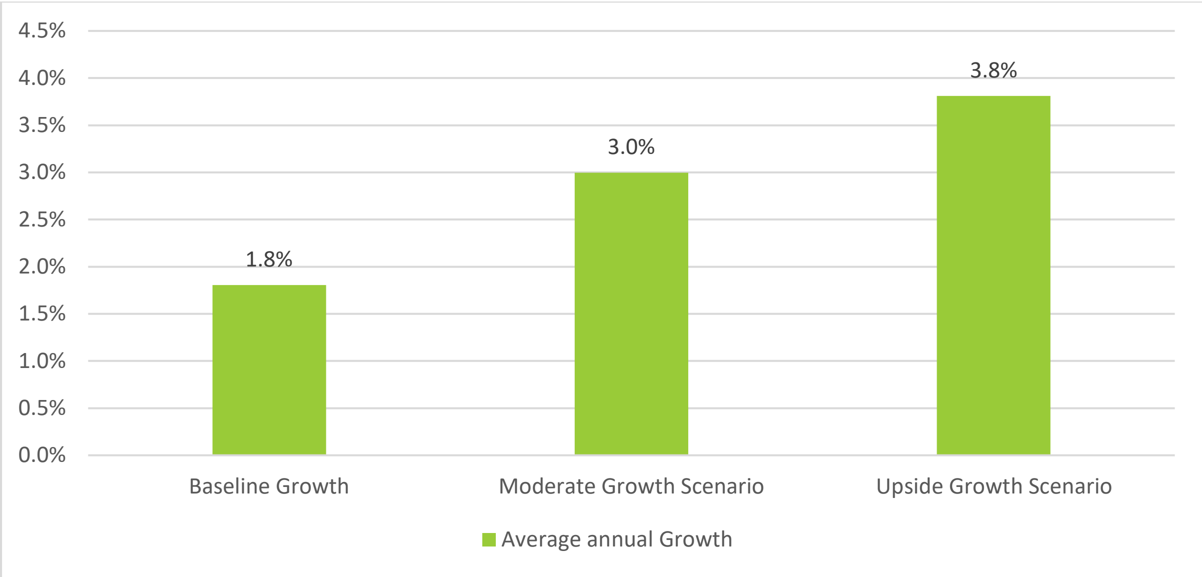


Figure 96: Employment growth rates for scenarios 2025–2029
Source: Own calculations

When considering the absolute number of jobs additions, the following two graphs will provide the possible employment range for each of the scenarios.

Looking at the moderate growth scenario the additional growth will very likely result in an additional 64 740 jobs over the 2025 – 2029 period at best, while the stretch scenario the employment impact could reach a total of 79 239. This means that the moderate growth scenario will add on average between 12 948 (Very likely) and 15 848 (Unlikely) additional jobs to the city’s economy.

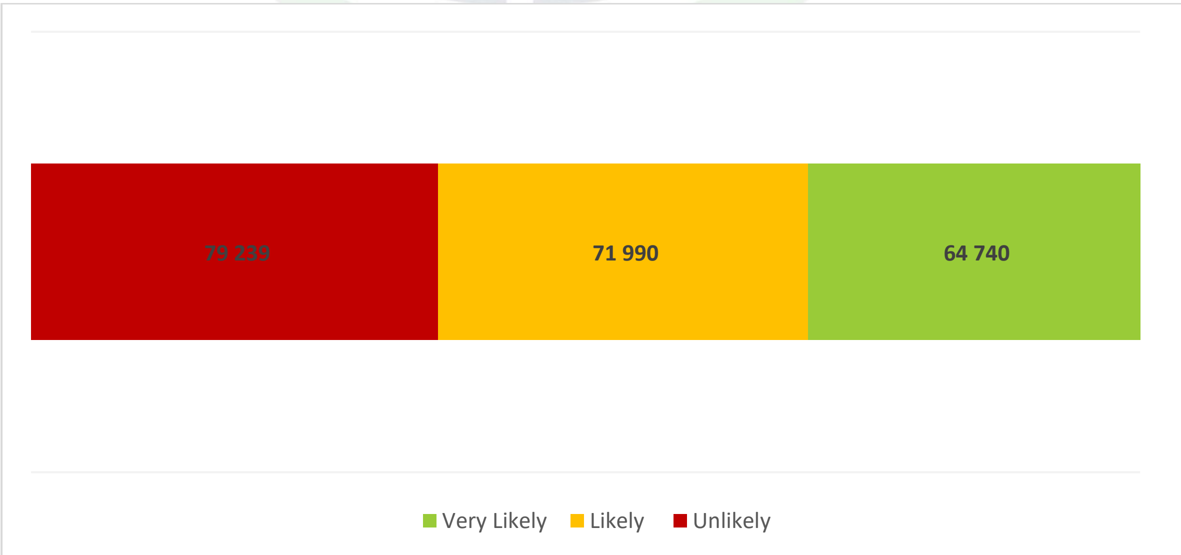


Figure 97: Moderate Growth Scenario job addition range 2025–2029
Source: Own calculations

The Upside scenario is the absolute best-case scenario but represents a potential that could happen. Looking at employment over the 2025 – 2029 period it can be noted that in this growth scenario anywhere from 109 053 jobs up to 134 680 jobs could be added over the period. This translates to between 21 811 (Very Likely) to 26 936 (Unlikely) jobs per annum.

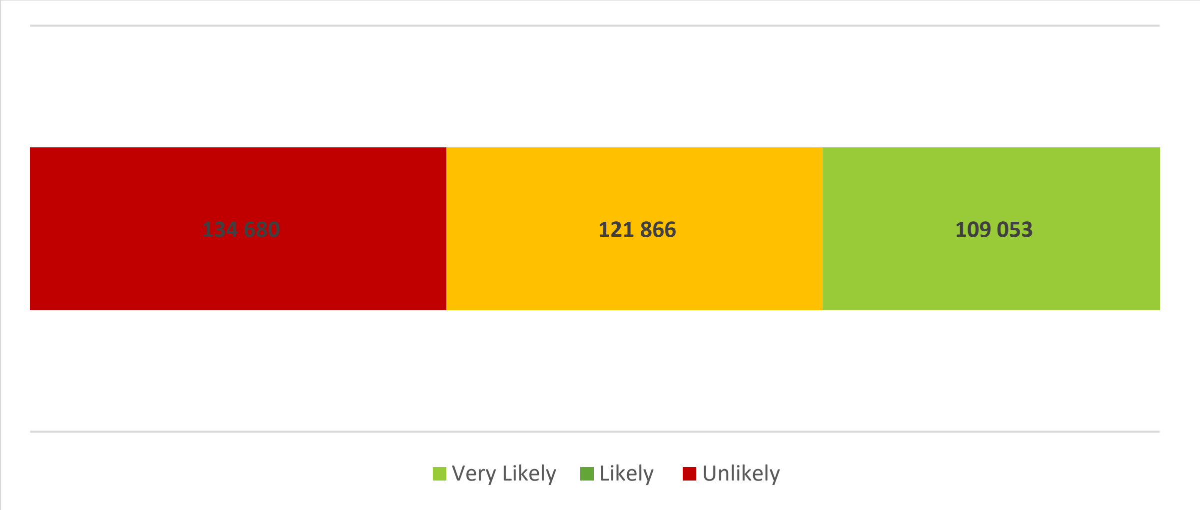
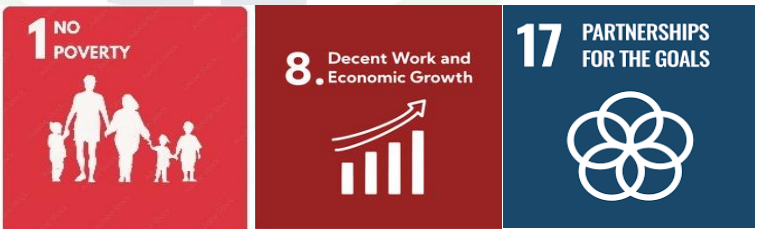


Figure 98: Upside Growth Scenario job addition range 2025–2029
Source: Own calculations

9 Alignment of the Economic Revitalisation Strategy with global goals

9.1 Tourism and MICE

FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: Tour Operators Training and Accreditation, Learnerships, Skills Development, Strategy Development, SMMEs Development, Promotion of equal access to services, Use of Conference Venues for revenue generation in tourism etc.			
SDG GOALS ALIGNED			
Broad Contours of the SDGs	Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.		
SDG Targets Aligned	1.1, 1.2, 8.3, 8.5, 8.9, 17.9		
AFRICAN UNION AGENDA 2063	**ASPIRATION**	**GOAL(S) RELEVANT TO THE ASPIRATION**	**PRIORITY AREAS**
	Prosperous Africa, based on inclusive growth and	Transformed Economies	Tourism/Hospitality, Economic diversification and resilience, Sustainable and inclusive economic growth

	sustainable development	High standard of living, quality of life and wellbeing for all citizens	Incomes, jobs and decent work
		Environmentally sustainable and climate resilient economies and communities	Sustainable natural resources Management, Biodiversity conservation, genetic resources and ecosystem, Sustainable consumption and production patterns.
SOUTH AFRICA NATIONAL DEVELOP MENT PLAN	Relevant Strategic Priority	**Strategic Priority 1:** Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	
		Strategic Priority 9: Sustainable resource management and use	

9.2 Diplomatic Economy

FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: Poverty, Stakeholder Engagement, Job creation,			
SDG GOALS ALIGNED			
Broad Contours of the SDGs	Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.		
SDG Targets Aligned	1.1, 1.2, 8.3, 8.5, 17.1.17.2.17.3, 17.4 17.6, 17.7, 17.8		
AFRICAN UNION AGENDA 2063	**ASPIRATION**	**GOAL(S) RELEVANT TO THE ASPIRATION**	**PRIORITY AREAS**
	Prosperous Africa, based on inclusive growth and sustainable development	A high standard of living, quality of life and wellbeing for all citizens	Incomes, jobs and decent work Poverty, inequality and hunger

SOUTH AFRICA NATIONAL DEVELOPMENT PLAN	Relevant Strategic Priority	**Strategic Priority** 1: Speeding up growth and transforming the economy to create decent work and sustainable livelihoods
		Strategic Priority 2: Massive programme to build economic and social infrastructure

9.3 Automotive Sector

FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: Increased Investment, Vehicle production, Job Creation and Enterprise Development			
SDG GOALS ALIGNED			
Broad Contours of the SDGs	Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.		
SDG Targets Aligned	8.1, 8.2, 8.3, 8.4, 8.5, 8.8, 9.2, 9.3, 9.5, 9.5 (a), 9.5 (b), 9.5 (c)		
AFRICAN UNION AGENDA 2063	**ASPIRATION**	**GOAL(S) RELEVANT TO THE ASPIRATION**	**PRIORITY AREAS**
	Prosperous Africa, based on inclusive growth **and sustainable development**	Transformed economies	• Sustainable and inclusive economic growth • Economic diversification and resilience • STI driven manufacturing, industrialisation and value addition
SOUTH AFRICA NATIONAL DEVELOPMENT PLAN	Relevant Strategic Priority	**Strategic Priority 1:** Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	
		Strategic Priority 2: Massive programme to build economic and social infrastructure	

9.4 Agriculture and Agro-processing

FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: SMME Development and Opportunities for people with Disabilities			
SDG GOALS ALIGNED			
Broad Contours of the SDGs	Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.		
SDG Targets Aligned	1.1, 1.2, 1.4, 1.5, 1,5 (a), 1.5 (b), 2.1, 2.2, 2,3, 2.4, 2,5, 2.5 (a), 2.5 (b), 2.5 (c), 5.1, 5.2, 5.4, 5.5, 5.6, 5.6(a), 5.6 (b), 5.6 (c), 8.1, 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 8.8, 8.10 (a), 10.1, 10,2, 10.3, 10,6, 10,7, 10.7 (a), 10.7 (b)		
AFRICAN UNION AGENDA 2063	**ASPIRATION**	**GOAL(S) RELEVANT TO THE ASPIRATION**	**PRIORITY AREAS**
	Prosperous Africa, based on inclusive growth and sustainable development	A high standard of living, quality of life and wellbeing for all citizens	Social security and protection, including people with disabilities
		Modern agriculture for increased productivity and production	Agricultural productivity and production
		Environmentally sustainable and climate resilient economies and communities	Sustainable natural resources management • Biodiversity conservation, genetic • resources and ecosystems • Sustainable consumption and • Production patterns • Water security • Climate resilience and preparedness and prevention for natural • disasters

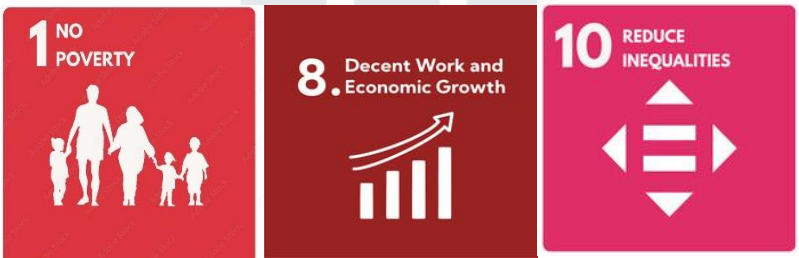
			• • Renewable energy
SOUTH AFRICA NATIONAL DEVELOPMENT PLAN	Relevant Strategic Priority	Strategic Priority 1: Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	
		Strategic Priority 3: Comprehensive rural development strategy linked to land and agrarian reform and food security	

9.5 Construction Sector

FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: Increased Investments in the Property Markets and Job Creation			
SDG GOALS ALIGNED			
Broad Contours of the SDGs	Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.		
SDG Targets Aligned	1.2, 1.3, 1.4, 1.4 (a), 1.4 (b), 8.1, 8.2, 8.3, 8.4, 8.5, 8.8, 9.1, 9.4, 9.4 (a), 9.4 (b), 9.4 (c), 10.1, 10,2, 10.3, 10,6, 10,7, 10.7 (a), 10.7 (b)		
AFRICAN UNION AGENDA 2063	**ASPIRATION**	**GOAL(S) RELEVANT TO THE ASPIRATION**	**PRIORITY AREAS**
	Prosperous Africa, based on inclusive growth and sustainable development	A high standard of living, quality of life and wellbeing for all citizens	• Incomes, jobs and decent work • Poverty, inequality and hunger • Modern, affordable and liveable habitats and quality basic services

		Transformed Economy	Sustainable and inclusive economic growth
		Environmentally sustainable and climate resilient economies and communities	Renewable energy in new buildings and energy efficiency in buildings
SOUTH AFRICA NATIONAL DEVELOP MENT PLAN	Relevant Strategic Priority	**Strategic Priority 1:** Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	
		Strategic Priority 2: Massive programme to build economic and social infrastructure	
		Strategic Priority 7: Build cohesive, caring and sustainable communities	
		Strategic Priority 9: Sustainable resource management and use (on energy)	

9.6 Research and Innovation

FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: New Economic Development Opportunities, New SMMEs Development, New Job Opportunities			
SDG GOALS ALIGNED			
Broad Contours of the SDGs	Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.		
SDG Targets Aligned	1.1, 1.2, 1.3, 1.4, 1.4 (a), 1.4 (b), 8.1,8.2,8.3, 8.4, 8.5, 8.6, 8.7, 8.8, 8.9, 8.10, 8.10 (a), 8.10 (b), 8.10 (c), 10.1, 10,2, 10.3, 10,6, 10,7, 10.7 (a), 10.7 (b)		
AFRICAN UNION AGENDA 2063	**ASPIRATION**	**GOAL(S) RELEVANT TO THE ASPIRATION**	**PRIORITY AREAS**
	Prosperous Africa, based on inclusive growth and sustainable development	A high standard of living, quality of life and wellbeing for all citizens	• Incomes, jobs and decent work • Poverty, inequality and hunger • Modern, affordable and liveable habitats and quality basic services
		Transformed Economy	Sustainable and inclusive economic growth

		Well, educated citizens and skills revolution underpinned by science, technology and innovation.	Education and science and innovation (STI) driven by skills revolution.
SOUTH AFRICA NATIONAL DEVELOP MENT PLAN	Relevant Strategic Priority	**Strategic Priority 1:** Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	
		Strategic Priority 2: Massive programme to build economic and social infrastructure	
		Strategic Priority 4: Strengthen skills and human resource base	

9.7 Informal Sector and Township Economy

FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: Registration and formalisation of informal businesses, Increased local economic investments in townships, Job creation, Capacity building			
SDG GOALS ALIGNED			
Broad Contours of the SDGs	Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.		
SDG Targets Aligned	1.1, 1.2, 1.3, 1.4, 1.4 (a), 1.4 (b), 8.1,8.2,8.3, 8.4, 8.5, 8.6, 8.8, 8.9, 8.10, 8.10 (a), 8.10 (b), 8.10 (c), 10.1, 10,2, 10.3, 10,6, 10,7, 10.7 (a), 10.7 (b), 11.1, 11.3, 11.5, `11.7, 11.7 (a)		
AFRICAN UNION AGENDA 2063	**ASPIRATION**	**GOAL(S) RELEVANT TO THE ASPIRATION**	**PRIORITY AREAS**
	Prosperous Africa, based on inclusive growth and	A high standard of living, quality of life and wellbeing for all citizens	• Incomes, jobs and decent work • Poverty, inequality and hunger

	sustainable development		• Modern, affordable and liveable habitats and quality basic services
		Transformed Economy	• Sustainable and inclusive economic growth • Economic resilience • Economic diversification and resilience.
	An Africa whose development is people-driven, relying on the potential offered by African people, especially its women and youth, and caring for children.	Engaged and empowered youth and children	Youth empowerment and children`s rights
SOUTH AFRICA NATIONAL DEVELOP MENT PLAN	Relevant Strategic Priority	**Strategic Priority 1:** Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	
		Strategic Priority 2: Massive programme to build economic and social infrastructure	
		Strategic Priority 7: Build cohesive, caring and sustainable communities	

9.8 Circular Economy

FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: Job creation, Climate change, Skills and SMME Development, Woman and Youth Development, Green and Brown Economy, Enhanced by-law enforcement	
SDG GOALS ALIGNED	
Broad Contours of the SDGs	Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.
SDG Targets Aligned	1.1, 1.2, 1.3, 1.4, 1.4 (a), 1.4 (b), 2.1, 2.3, 2.4, 2.5, 2.5 (a), 2.5 (c), 4.4, 4.7, 8.2,8.3, 8.4, 8.5, 8.6, 8.9, 8.10 (b), 10.1, 10.2, 10.3, 10.7 (b) 13.2, 13.3, 16.10, 16.10 (b), 17.6, 17.7, 17.7, 17.11, 17.12, 17.16, 17.17

	ASPIRATION	GOAL(S) RELEVANT TO THE ASPIRATION	PRIORITY AREAS
AFRICAN UNION AGENDA 2063	Prosperous Africa, based on inclusive growth and sustainable development.	A high standard of living, quality of life and wellbeing for all citizens	• Incomes, jobs and decent work • Poverty, inequality and hunger • Modern, affordable and liveable habitats and quality basic services
		Transformed Economy	• Sustainable and inclusive economic growth • Economic resilience
	An Africa whose development is people-driven, relying on the potential offered by African people, especially its women and youth, and caring for children	Full gender equality in all spheres of life	Women and girl's empowerment
		Engaged and empowered youth and children	Youth empowerment and children`s rights

SOUTH AFRICA NATIONAL DEVELOP MENT PLAN	Relevant Strategic Priority	**Strategic Priority 1:** Speeding up growth and transforming the economy to create decent work and sustainable livelihoods
		Strategic Priority 2: Massive programme to build economic and social infrastructure
		Strategic Priority 7: Build cohesive, caring and sustainable communities
		Strategic Priority 9: Sustainable resource management and use

9.9 Digital Economy

FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: Skills Development, Up/Reskilling of the Workforce, SMMEs Development, Woman and Youth Empowerment,	
UN SDG GOALS ALIGNED	

<table>
<tr><td>Broad Contours of the UN SDGs</td><td colspan="4">Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.</td></tr>
<tr><td>SDG Targets Aligned</td><td colspan="4">1.1,1.2,1.3,1.4, 1.4 (b), 4.3, 4.4, 4.7, 4.7 (a), 5.1, 5.5, 5.6 (b) and 5.6 (c), 8.2, 8.3, 8.5, 8.6, 8.9), 10.1, 10.2, 10.3, 10.7 (b)</td></tr>
<tr><td rowspan="3">AFRICAN UNION AGENDA 2063</td><td>ASPIRATION</td><td colspan="2">GOAL(S) RELEVANT TO THE ASPIRATION</td><td>PRIORITY AREAS</td></tr>
<tr><td rowspan="2">Prosperous Africa, based on inclusive growth and sustainable development</td><td colspan="2">A high standard of living, quality of life and wellbeing for all citizens</td><td>Incomes, jobs and decent work
Poverty, inequality and hunger</td></tr>
<tr><td colspan="2">Transformed Economy</td><td>• Sustainable and inclusive economic growth
• Economic resilience
• Economic diversification and resilience
• STI driven manufacturing, industrialisation and value addition</td></tr>
<tr><td rowspan="4">SOUTH AFRICA NATIONAL DEVELOP MENT PLAN</td><td rowspan="4">Relevant Strategic Priority</td><td colspan="3">Strategic Priority 1: Speeding up growth and transforming the economy to create decent work and sustainable livelihoods</td></tr>
<tr><td colspan="3">Strategic Priority 2: Massive programme to build economic and social infrastructure</td></tr>
<tr><td colspan="3">Strategic Priority 7: Build cohesive, caring and sustainable communities</td></tr>
<tr><td colspan="3">Strategic Priority 9: Sustainable resource management and use</td></tr>
</table>

9.10 Student Economy

<table>
<tr><td colspan="2">FOCUS AREAS OF THE PROJECTS PLANNED TO BE IMPLEMENTED IN THE ECONOMIC SECTOR: Increased Youth Employability, Job Creation, Increased Entrepreneurship Amongst the Youth, Tourism, Property Investment and Capacity Building Initiatives</td></tr>
<tr><td>SDG GOALS ALIGNED</td><td></td></tr>
</table>

Broad Contours of the SDGs	Leave no one behind, put sustainable development at the core of all development programmes, integrate social, economic and environmental dimensions of sustainability in all areas of human endeavour, transform the economy for growth and inclusive growth, build peaceful and effective, open and accountable institutions for all and forge a new partnership for development.		
SDG Targets Aligned	1.1, 1.2, 1.3, 1.4, 1.5 (b),4.3, 4.4, 4.5, 4.7, 4.7 (a), 4.7 (b), 8.1, 8.2, 8.3, 8.4, 8.5, 8.8, 10.1, 10,2, 10.3, 10,6, 10,7, 10.7 (a), 10.7 (b)		
AFRICAN UNION AGENDA 2063	**ASPIRATION**	**GOAL(S) RELEVANT TO THE ASPIRATION**	**PRIORITY AREAS**
	Prosperous Africa, based on inclusive growth and sustainable development	A high standard of living, quality of life and wellbeing for all citizens	• Incomes, jobs and decent work • Poverty, inequality and hunger • Modern, affordable and liveable • habitats and quality basic services
		Well, educated citizens and skills revolution underpinned by science, technology and innovation	Education and science, technology and innovation (STI) driven skills revolution
	An Africa whose development is people-driven, relying on the potential offered by African people, especially its women and youth, and caring for children	Engaged and empowered youth and children	Youth empowerment and children’s rights
SOUTH AFRICA NATIONAL DEVELOP MENT PLAN	Relevant Strategic Priority	**Strategic Priority 1:** Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	
		Strategic Priority 4: Strategic Priority 4: Strengthen the skills and human resource base	
		Strategic Priority 7: Build cohesive, caring and sustainable communities	

10 Enablers for economic revitalisation

10.1 Service Delivery

The identified economic sectors are dependent on the provision of services for them to survive and to thrive. Among others, reliable electricity infrastructure, bulk water provision, appropriately developed road infrastructure serve to connect people to commercial centres and to support economic activity.

10.1.1 Road Infrastructure

It is acknowledged that properly constructed roads infrastructure is a catalyst for economic expansion.

Currently, the City of Tshwane has a backlog of over 1900 kilometres of road and the number continues to worsen due to the current financial constraints of the City. Cognisant of the current funding constraints, the City will focus on road resurfacing projects, paying particular attention to key roads that connect industry and residential areas in the short term. As the financial position of the city improves, the backlog on road infrastructure will be aggressively attended to, to enable mobility.

Mobility is one of the most fundamental and important characteristics of economic activity and the enhancement of growth. The Bus Rapid Transit system in the city of Tshwane is progressing to realise the connectivity of all the areas depicted in the planned map. The BRT system, which is being rolled out, will be able to connect high residential areas and integrate them with other modes of transportation. The identified areas or corridors, which were part of the initial plans, remain the same and are in the implementation phase. Currently, the east of the city will be prioritised and will partially be activated from the City centre to the Menlyn Shopping Complex.

It is also imperative that the Tshwane Bus Services' operating model be reviewed. It has been shown in the study conducted by the GCRO and referred to herein that 81% of the incomes of the poor, who reside far from economic activity, is spent on food and transport. Depending on the outcome of the review of the TBS operating model, the TBS may either increase its bus fleet or review its bus routes to cover identified areas. TBS could play a critical role in reducing the cost of transport for the poor, thus lessening their transport costs and increasing their disposal income.

10.1.2 Waste Management

With access to waste management being just over 60% for underdeveloped areas, which are predominantly occupied by previously disadvantaged communities, it becomes apparent that the dawn of democracy did not extend this service to those areas. Effective waste management services have a direct impact on the liveability of an area, with concomitant health benefits. A cursory survey conducted in early 2024 with a small sample of the city's investment community revealed that the provision of services, including waste management, was instrumental towards the stimulation of investments in certain geographic areas.

The need to expand waste management services brings with it the need to allocate resources towards the sustainability of the services. Waste management, however, has proven itself to have the potential for self-sustainability because it lends itself easily towards the development of a circular economy. As one of the pillars of this strategy, the City will focus attention on this economy by effectively addressing illegal dumping, especially around the CBDs and the Inner City in particular, in line with the inner-city rejuvenation objectives; establishing optimally located waste facilities (multipurpose waste facilities, buyback centres and a new landfill); developing an inclusive participatory integration plan for the informal waste sector (informal recyclers); reducing inefficiencies and the costs of waste collection and transportation; upgrading and/or repairs of existing landfill infrastructure; leveraging on existing revenue generation opportunities at landfills by implementing pay as you go systems and weighbridge systems to enhance revenue collection; continuously exploring opportunities to implement waste to energy project, with further opportunities for alternative treatment and disposal of sewerage waste, inter alia.

10.2 Safety and Security

10.2.1 Safety of Infrastructure

A new trend, which affects the City of Tshwane, has emerged in the country where economic infrastructure gets vandalised in order to sell fragments or parts of such infrastructure in the illicit market. This development has underscored the need to secure infrastructure at all times, to allow the economy to grow unabated. Except for security of infrastructure, the City of Tshwane has recognised the need to ensure that safety and security are at the heart of any economic revitalisation initiatives. The City appreciates that investors would be more willing to invest in a City that has placed safety at the centre of its development. To that end, the following would be considered in more detail, in consultation with relevant stakeholders, to ensure collaborative effort in safeguarding the growth of the City's economy:

- The review of the organisational design to respond to specific sectoral needs of the economy (i.e. a specialised team to focus on the tourism sector) whenever a need arises;
- Participation in the spatial design of infrastructure and developmental nodes to ensure the containment of crime from a design perspective;
- The stabilisation of crime, in collaboration with other law enforcement agencies, to ensure that crime does not spiral out of control; and
- In order to support the work of the Metro Police, as well as other law enforcement agencies, a Command and Control Centre would be developed to monitor the City on a 24 hour basis.

It can be deduced from the above that safety and security would henceforth be part of the conceptualisation phase of development to ensure that the City is ready to protect infrastructure and investments as soon as those are installed and operated.

Enabling Project 1: *Command-and-Control Centre*

10.2.2 Disaster Risk Management

In the same light as the safety considerations, the City needs to be disaster resilient. Flooding, heatwaves and runaway fires should be able to be contained and controlled at all times and where that is impracticable, the response to such disasters should be sufficient to save all affected. Similar to safety and security considerations, the design of space and infrastructure should take into account the mitigations, interventions and responses that would be required should disaster strike and whether such design permits emergency services to respond accordingly to the situation.

In terms of applicable standards, response times to fire for instance, is approximately 15 minutes and the City's current fire stations are approximately 25 minutes away from critical infrastructure. This shows the need for more fire stations to be built and for other innovative ways to be considered together with industry to ensure reduced response times. It is more prudent to secure infrastructure before it is completely destroyed by fire than to replace it. A need has been identified to perform a disaster risk assessment with a view to reduce the probability of disaster risks occurring. This will be done as part of securing the City's economic investments. While this assessment will cover a wide range of issues, there is a need for a more dedicated critical infrastructure resilience strategy to be developed. This will be done in collaboration with the private sector when sectoral engagements that are envisaged as part this strategy are considered.

The Emergency Services Department will also be working with stakeholders to develop an emergency services academy in Tshwane. This facility can be utilised by both the Emergency Services Department and the Metro Police for training purposes. This facility, other than the limited privately owned training facilities, will be the only publicly owned one within South Africa and possibly within Africa, which will be more expansive in terms of the training it will provide. The City is conducting a business case in this regard and would, should feasibility be established, be approaching development finance institutions and the private sector to partner with them in bringing this to fruition. The Tshwane Economic Development Agency has been provided with data to conduct the necessary studies and more information will be shared as soon the assessments are completed.

Enabling Project 2: *Emergency Services Academy*

Enabling Project 3: *1/10 New Fire stations*

10.3 Workforce and Talent Development

To support the objective to develop the workforce, the City will review its training programs that are conducted by the Tshwane Leadership and Management Academy and in consultation with the academic institutions in the City, align them to the objectives of this strategy. Trainees who qualify through the artisan training programme run by the TLMA as well as the poorest of the poor who, through the indigent exit strategy of the City, exit indigency, will be assisted with opportunities to be absorbed into the workforce, where feasible to guarantee their economic participation.

Internally, the City of Tshwane, through the gradual introduction of performance management instruments, culture change drive, refined recruitment processes and employee development programmes, will inculcate a high performance culture within the institution. A survey has revealed that investors experience Tshwane employees as being non-responsive, reluctant and in some instances incompetent to resolve their challenges. By developing its own talent, changing its internal culture and enforcing performance management, the City of Tshwane will ingrain a high performance culture, improve its capacity and build in intolerance to a laissez-faire working environment.

Enabling Project 4: *Tshwane Data Centre/Hub*

10.4 Funding the Economic Revitalisation Strategy and Bulk Infrastructure

The funding of the initiatives and interventions in this strategy, which is integrally linked with the provision and funding of bulk infrastructure, is a critical success factor.

The funding options to be secured should be linked to the intended impact of the strategy in Section 8 and will require political support and administrative commitment to realise the full impact of the strategy on the City's economy.

Under the Baseline Scenario, initiatives and interventions are funded through the normal status quo budgeting processes. This means that within existing and planned budget allocations to Departments, funding will be allocated to initiatives and interventions on a competing-for-funds basis with current or planned Departmental projects.

Under the Moderate Scenario, specific funding should be set aside for the initiatives and interventions along the Moderate growth path of the strategy as well as bulk infrastructure.

Under the Radical Scenario, specific funding should be set aside for the initiatives, which invariably would be twice the amount set aside for the moderate scenario, and interventions along the Radical growth path of the strategy as well as bulk infrastructure.

11 The role of strategic assets in the Economic Revitalisation Strategy

The strategic assets of the City, as detailed in this section, are critical economic development enablers and should be – when managed commercially in the appropriate environment – be net revenue generators.

The current status quo of these strategic assets is, and has been, unacceptable and these assets must be repositioned to deliver maximum value for the City. All the strategic assets listed here present two central challenges: Structural Misalignment and Stakeholder Dissatisfaction.

The structural misalignment stems from an inappropriate placement and structuring of the assets, which must be addressed through the Economic Revitalisation Strategy. With the exception of Tshwane Market, all these assets are *budgeted* at a loss from inception. From past financial performance of these assets, it is clear that the budgeted losses only deepen throughout the financial years.

The stakeholder dissatisfaction stems from both the inappropriate placement and structuring of the assets as well as the lack of effective and appropriate stakeholder management.

The approach to reposition these assets as part of the Economic Revitalisation Strategy is underpinned by the following principles:

11.1 Principles

11.1.1 Building on the City's strengths but doing things differently is the only course of action

Several past interventions have failed to deliver more desirable outcomes from these assets. This is largely due to previous initiatives not being completed and the City not being intentional and clear about what its commercial expectation was from these assets. Building on the City's strengths will provide the clarity previously lacking.

11.1.2 The assets belong to the City and to the people of the City

The proposed repositioning of these assets will always be on the basis that the City retains ownership of these critical assets.

11.1.3 Unlocking maximum commercial value for our residents and stakeholders is the objective

While the commercial value maximisation of these assets is pursued, we are also guided by the service that is delivered through these assets to our residents and our stakeholders.

11.1.4 Job security for all employees is a priority

The repositioning of these assets will ensure complete job security for current employees, either through absorption into the commercial activities as a condition precedent or through structured reassignment following appropriate consultation and engagement with employees.

11.1.5 New job creation is a key feature

The repositioning of these assets will have new jobs created as a key deliverable.

11.2 Wonderboom National Airport (WNA)

The Wonderboom National Airport is wholly owned by the City of Tshwane. The asset and facilities are not optimally utilised. The operation generates its income from hanger rentals, leasing of land and buildings, flight schools and general aviation activities. The financial performance of WNA as of 30 April 2023, was as follows:

Table 14: WNA Financial Performance April 2023

OPEX REVENUE & EXPENDITURE: TSHWANE AIR SERVICES (TAS)

(Figures extracted after month-end process [09.05.2023])

Profit and loss accounts	Approved Budget 2023	Adjusted Budget 2023	Current Budget 2023	Cum Proj 2023 (Per 1 -10)	Cum Actuals 2023 (1 -10)	Deviation from Projection	Deviation as % of Projection
Rental of Facilities and Equipment	12 695 559-	13 046 751-	13 046 751-	12 019 194-	9 965 690-	(2 053 504)	(17)
Other Revenue	8 515 440-	11 511 313-	11 511 313-	10 877 825-	9 610 849-	(1 266 976)	(12)
*** Revenue By Source	21 210 999-	24 558 064-	24 558 064-	22 897 019-	19 576 539-	(3 320 479)	(15)
Employee Related Costs	13 104 870	13 059 584	13 059 584	10 653 748	10 282 693	(371 054)	(3)
Debt Impairment	154 581	154 581	154 581	128 818	128 818	-	-
Depreciation and Asset Impairment	25 055 354	25 055 354	25 055 354	20 862 421	20 589 930	(272 491)	(1)
Other Materials	149 330	149 330	149 330	85 614	102 931	17 317	20
Contracted Services	40 591 168	37 241 168	37 241 168	26 635 246	24 282 571	(2 352 675)	(9)
General Expenditure	1 553 946	1 539 538	1 539 538	1 166 205	1 109 471	(56 734)	(5)
*** Expenditure By Type	80 609 249	77 199 555	77 199 555	59 532 052	56 496 414	(3 035 638)	(5)

Expenditure: R 77,2 million p.a.
Revenue: R 24,6 million p.a.
Loss: R 52,6 million p.a.

11.2.1 Repositioning WNA

The WNA will be repositioned to be the preferred Aviation Academy/Hub for general aviation in South Africa and on the continent. This Aviation Academy/Hub must find expression in the City's integrated development plan with key deliverables aimed at achieving this outcome. The envisaged outcome will be contractually secured with a reputable stakeholder.

The approach is to facilitate a commercial operator of WNA to manage the airport and facility for an extended period, under strict conditions emanating from our principles, with a clear "bottom-line" net payment to the City on a periodic basis. In addition, the commercial operator will be accountable to the City for delivering on the key deliverables mentioned afore.

As an immediate intervention, the legal challenges, and contracting/contractual issues at WNA must be resolved.

TEDA will assist the City in the facilitation of the process to reposition WNA. The City believes TEDA as its agency provides the required flexibility, agility and commercial predisposition and intends tasking TEDA with managing the relationship with and oversight of the commercial operator.

11.3 Fresh Produce Market

The broad strategy of the Tshwane Market is to assess the supply of produce, to perform a demand analysis and forecasts to determine growth trends and the market capacity required. In addition, it must sweat the capital and infrastructure asset by increasing the sale areas thereby creating capacity to move additional tonnage through the market to meet future demand.

The Tshwane Market has been facing structural decline in volume throughput, which has affected its revenue generation capacity, but remains a net revenue generator for the City. The financial performance of the Tshwane Market as of 30 April 2023, was as follows:

Table 15: Tshwane Market Financial Performance April 2023

OPEX REVENUE & EXPENDITURE: FRESH PRODUCE MARKET

(Figures extracted after month-end process [09.05.2023])

Profit and loss accounts	Approved Budget 2023	Appr Adj Budget 2023	Current Budget 2023	Cum Proj 2023 (Per 1 -10)	Cum Actuals 2023 (1 -10)	Deviation from Projection	Deviation as % of Projection
Service Charges	7 573 446-	15 149 053-	15 149 053-	12 757 641-	13 260 620-	502 979	4
Rental of Facilities and Equipment	18 564 634-	20 026 025-	20 026 025-	17 563 865-	20 553 116-	2 989 251	17
Interest Earned - External Investments	1 148 055-	1 148 055-	1 148 055-	1 148 055-	2 425 695-	1 277 640	111
Interest Earned - Outstanding Debtors	535 243-	335 243-	335 243-	277 041-	185 596-	(91 445)	(33)
Fines	44 920-	44 920-	44 920-	29 947-		(29 947)	(100)
Other Revenue	155 922 302-	185 459 157-	185 459 157-	157 093 321-	172 261 074-	15 167 752	10
*** Revenue By Source	183 788 599-	222 162 453-	222 162 453-	188 869 870-	208 686 101-	19 816 231	10
Employee Related Costs	85 014 017	85 318 564	85 318 564	69 876 515	61 870 331	(8 006 185)	(11)
Debt Impairment	298 599	298 599	298 599	248 832	248 832	-	-
Depreciation and Asset Impairment	23 732 304	24 980 971	24 980 971	20 624 113	19 169 096	(1 455 018)	(7)
Other Materials	859 372	859 372	859 372	740 370	321 201	(419 169)	(57)
Contracted Services	14 986 210	19 533 567	19 533 567	14 721 475	9 627 530	(5 093 945)	(35)
General Expenditure	21 916 955	17 616 955	17 616 955	15 261 054	20 286 073	5 025 019	33
Loss on Disposal of PPE					1	1	-
*** Expenditure By Type	146 807 456	148 608 027	148 608 027	121 472 361	111 523 064	(9 949 297)	(8)

Expenditure: R 146,8 million p.a.
Revenue: R 222,1 million p.a.
Profit: R 75,3 million p.a.

11.3.1 Repositioning Tshwane Market

The recent Fresh Produce Market Inquiry Final Report published by the Competition Commission, had clear findings on the position of fresh produce markets throughout the country – they do not work and are not profitable or sustainable in city departments or structures.

The key focus of the Tshwane Market should be to attract bulk fresh produce producers to the City of Tshwane market platform. All other activities, including expanding retail services to other regions, will follow the sustained success of the primary focus.

The approach is to facilitate a Management operator of Tshwane Market to commercially manage the market and facility for an extended period, under strict conditions emanating from our principles, with a clear “bottom-line” net payment to the City on a periodic basis. In addition, the Management operator will be accountable to the City for delivering on the key deliverables mentioned afore.

While the operations of the Tshwane Market should remain self-funded and a net revenue generator, the City must improve the infrastructure through intentional own investment or facilitated investment.

TEDA will assist the City in the facilitation of the process to reposition the Tshwane Market. The City believes TEDA as its agency provides the required flexibility, agility and commercial predisposition and intends tasking TEDA with managing the relationship with and oversight of the Management operator.

11.4 Tshwane Event Centre (TEC)

In June 2022, Council gave approval for the showgrounds to be released to the market through an open and competitive bidding process to any developer who will lease it and realise the City's vision for the property. This lease will be a for a 50-year term to allow developers to make significant investments in the property that would benefit the City and its residents for years to come.

11.4.1 Repositioning of TEC

The approach to the TEC, including the world-renowned athletics stadium known as Pilditch, is based on the principle of precinct development where there are events hosted 365 days a year.

The proposed precinct must be developed into the "Menlyn" for agriculture and sport. Specifically, an Agri-Hub and Sport-Hub with facilities providing floorspace to be rented to the many machinery, equipment, irrigation, chemical, seed, packaging and other companies that supply the agriculture industry, as well as sporting codes and clubs with access to top-class facilities.

By having may competing suppliers and sporting codes in one place, this facility can have a similar effect as Menlyn, where farmers/buyers and sports fanatics are attracted to these "hubs" for agriculture and sports.

Regular agricultural shows will be hosted at the TEC, including an annual AfCFTA show. Tshwane will be the first city to take ownership of the AfCFTA platform and develop an AfCFTA exhibition and conference to make a meaningful impact. This will provide the impetus for the City to be developed as the capital for food, fibre, energy, digitisation, and other high-value goods and services for trade under the AfCFTA.

The TEC will also provide the platform for regular urban farmers days, where urban and emerging farmers (or potential urban and emerging farmers) can be exposed to opportunities for themselves and being supported on an ongoing basis from the Agri-Hub.

In support of the Tourism pillar, domestic and international sporting events will be attracted to the facilities of this Sport-Hub.

The TEC will be transferred to TEDA as the City's entity to deliver on the repositioning of the TEC. The City believes TEDA as its agency provides the required flexibility, agility and commercial predisposition to unlock maximum commercial value from the TEC.

11.5 Rooiwal and Pretoria West Power Stations

Energy security and sustainability is part of the Four Decades of Game Changing embedded in Vision 2055 (2014). Energy was therefore centrally placed as a key to Economic Revitalisation in the precursors to this Economic Revitalisation Strategy, being the Sustainable and Inclusive Growth Strategy (2015/16) and the Local Economic Development Strategy of Tshwane approved in 2019.

The City's adopted Climate Action Plan (CAP) gave further impetus to energy as a driver for growth AND change AND transformation in 2022.

In January 2024, Council approved the report on Rooiwal and PTA West power stations, resolving to release the power stations to the market on a 40-year lease in terms of regulation 35 of the Municipal Asset Transfer Regulation.

Current Expenditure:	R 130 million p.a.
Current Revenue:	R 0
Loss:	R 130 million p.a.

The estimated revenue potential of Rooiwal power station at productive capacity is between R 360 million – R 850 million p.a.

The estimated revenue potential of Pretoria West power station at productive capacity is between R 200 million – R 500 million p.a.

11.5.1 Repositioning of the Power Station

In support of the critical role of energy in the economic revitalisation of the City, TEDA and the Energy Task Team (ETT) have developed Terms of Reference for the appointment of a Transactional Advisor to assist with the process of developing a legally, technically and financially sound RFP to the market for interested and potential bidders. The procurement process for the TA is currently ready to be advertised.

The approach is to appoint one TA for the process of developing an RFP to be issued to the market to return both Power Stations to service, inclusive of the option that Eskom or another State-owned entity could manage and operate the stations.

For Pretoria West, there is an additional component that will be implemented in collaboration with the Gauteng Infrastructure Funding Agency (GIFA) on a waste-to-energy solution that will require an allocation of 70MW of the capacity of Pretoria West. Under the GIFA component, a separate TA will be appointed as part of the collaboration that will focus on the waste-to-energy aspect.

Ensuring that the RFP crafted by the TA attracts established and proven power station operators with the requisite balance sheet to sustain the operations and maintain the assets over the contracting period, a high threshold will be contractually placed on the lease amount.

11.6 Bon Accord Quarry

The establishment of quarries is a major advantage for the City that enables the manufacturing of its own asphalt, stone, and road building material. The ability to supply its own asphalt to the regional operational teams, is an internal cost factor and reduces the pressure on the primary budget since it mitigates against expensive purchase from external sources.

The financial performance of the Bon Accord quarry as of 30 April 2023, was as follows:

Table 16: Bon Accord Quarry Financial Performance April 2023

OPEX REVENUE & EXPENDITURE: QUARRY OPERATIONS (BON ACCORD)

(Figures extracted after month-end process [09.05.2023])

Profit and loss accounts	Approved Budget 2023	Adjusted Budget 2023	Current Budget 2023	Cum Proj 2023 (Per 1 -10)	Cum Actuals 2023 (1 -10)	Deviation from Projection	Deviation as % of Projection
Other Revenue	5 653 093-	5 278 807-	5 278 807-	3 529 536-	50 800-	(3 478 736)	(99)
*** Revenue By Source	5 653 093-	5 278 807-	5 278 807-	3 529 536-	50 800-	(3 478 736)	(99)
Employee Related Costs	14 215 757	14 764 023	14 764 023	12 346 377	11 662 939	(683 438)	(6)
Depreciation and Asset Impairment	10 677 945	10 677 946	10 677 946	8 846 263	8 489 356	(356 907)	(4)
Finance Cost	4 279 969	4 279 969	4 279 969			-	-
Other Materials	12 645 260	12 645 260	12 645 260	10 111 524	8 451 814	(1 659 710)	(16)
Contracted Services	1 406 637	1 256 637	1 256 637	1 044 138	926 201	(117 937)	(11)
General Expenditure	13 121 435	9 922 282	9 922 282	8 110 124	7 264 892	(845 232)	(10)
*** Expenditure By Type	56 347 003	53 546 115	53 546 115	40 458 426	36 795 202	(3 663 224)	(9)

Expenditure: R 53,5 million p.a.
Revenue: R 5,3 million p.a.
Loss: R 48,2 million p.a.

However, the quarry(ies) is/are operating significantly below productive capacity and hence presents a viable commercial option and revenue generating capacity to the City. Currently, the quarry operates a 3 hours per day shift to produce the internally required material for the regional activities.

11.6.1 Repositioning the Bon Accord Quarry

The approach is to provide a commercial and business element to the operations of the quarry. This requires a different structure that will accommodate both the technical and business elements of such operations.

A Section 78 process will be initiated in the process of repositioning the quarry to a fully-fledged commercial operation.

The immediate approach is to facilitate a commercial operator of Bon Accord Quarry to manage the mining and crushing and processing and facility for a pre-determined period, under strict conditions emanating from our principles, with a clear “bottom-line” net payment to the City on a periodic basis. In addition, the commercial operator will be accountable to the City for delivering on the key deliverables mentioned afore.

TEDA will assist the City in the facilitation of the process to reposition Bon Accord. The City believes TEDA as its agency provides the required flexibility, agility and commercial predisposition and intends tasking TEDA with managing the relationship with and oversight of the commercial operator.

11.7 Resorts and Reserves

The City manages more than 40 resorts and reserves, many of them are small nature reserves and parks, and some are significant in size.

Parks provide a great benefit to citizens, both those who live nearby and tourists. In addition to their many environmental benefits, including preserving plant and animal habitat, decreasing air pollution, and water filtration, parks create an economic benefit for both the City and individual residents.

Creating well planned parks and preserving sufficient land for them can generate financial returns that are often many times greater than the money initially invested into the project, even when maintenance costs are factored in. The financial performance of Resorts and Reserves as of 30 April 2023, was as follows:

Table 17: Parks and Horticulture Financial Performance April 2023

OPEX REVENUE & EXPENDITURE: PARKS AND HORTICULTURE

(Figures extracted after month-end process [09.05.2023])

Profit and loss accounts	Approved Budget 2023	Adjusted Budget 2023	Current Budget 2023	Cum Proj 2023 (Per 1 -10)	Cum Actuals 2023 (1 -10)	Deviation from Projection	Deviation as % of Projection
Other Revenue					563-	563	-
*** Revenue By Source					563-	563	-
Employee Related Costs	328 909 186	327 435 774	327 435 774	266 691 418	234 128 883	(32 562 535)	(12)
Depreciation and Asset Impairment	1 087 636	1 082 725	1 082 725	781 545	295 372	(486 173)	(62)
Other Materials	3 745 029	3 545 960	3 545 960	2 657 929	1 744 141	(913 788)	(34)
Contracted Services	43 004 463	40 347 749	42 169 979	31 936 148	29 816 721	(2 119 427)	(7)
General Expenditure	9 374 492	8 681 736	8 681 736	6 862 867	4 625 360	(2 237 507)	(33)
Loss on Disposal of PPE					60	60	-
*** Expenditure By Type	386 120 806	381 093 944	382 916 174	308 929 907	270 610 537	(38 319 370)	(12)

Table 18: Resorts and Reserves Financial Performance April 2023

OPEX REVENUE & EXPENDITURE: RESORTS

(Figures extracted after month-end process [09.05.2023])

Profit and loss accounts	Approved Budget 2023	Adjusted Budget 2023	Current Budget 2023	Cum Proj 2023 (Per 1 -10)	Cum Actuals 2023 (1 -10)	Deviation from Projection	Deviation as % of Projection
Rental of Facilities and Equipment	159 826-	159 826-	159 826-	150 213-	193 968-	43 755	29
Other Revenue	15 218 987-	15 235 730-	15 235 730-	11 886 892-	10 710 553-	(1 176 339)	(10)
*** Revenue By Source	15 378 814-	15 395 557-	15 395 557-	12 037 105-	10 904 521-	(1 132 584)	(9)
Employee Related Costs	97 552 323	100 315 908	100 315 908	81 971 708	74 003 566	(7 968 142)	(10)
Depreciation and Asset Impairment	20 380 901	20 792 686	20 792 686	16 785 546	14 149 702	(2 635 844)	(16)
Other Materials	25 849	23 556	23 556	23 556		(23 556)	(100)
Contracted Services	6 894 522	6 894 522	6 894 522	6 894 522	2 491 834	(4 402 689)	(64)
General Expenditure	40 956 713	41 145 711	41 145 711	32 427 773	19 413 332	(13 014 440)	(40)
*** Expenditure By Type	165 810 307	169 172 383	169 172 383	138 103 104	110 058 433	(28 044 671)	(20)

Expenditure: R 550,2 million p.a.
Revenue: R 15,4 million p.a.
Loss: R 534,8 million p.a.

11.7.1 Repositioning of Resorts and Reserves

The approach is to initiate the process towards establishing a municipal-owned Entity to manage and commercialise the resort and reserve assets, where applicable.

This approach is subject to the City being able to secure funding, either directly or facilitated through investment, for a significant reinvestment into its green and tourism assets.

As an immediate intervention, the process includes compiling a business case for a radical turnaround implementation plan of the revenue generating capacity of the resorts and reserves.

TEDA will assist the City in the facilitation of the process to reposition the Resorts and Reserves.

12 Conclusion

Globally, cities are leveraging technology, fostering innovation, and promoting sustainability to remain competitive. Tshwane aligns with these trends by incorporating smart city concepts and focusing on advanced manufacturing and green technologies. However, in comparison to global cities, Tshwane still faces hurdles such as slow economic growth (averaging 0,3% annually between 2018 and 2023) and high unemployment rates. While Tshwane's economic recovery post-COVID-19 shows promise, further alignment with global best practices is needed to accelerate growth and competitiveness.

The City of Tshwane has demonstrated a comprehensive approach to revitalising its economy, as detailed in its Economic Revitalisation Strategy for 2024. The foreword by the Executive Mayor highlights key priorities, including providing quality basic services, fostering public-private partnerships, and supporting small, medium, and micro-enterprises (SMMEs) and informal traders. Initiatives like the establishment of city improvement districts and the revitalisation of underutilised industrial areas such as Ekandustria and Babelegi aim to unlock the city's economic potential, generate sustainable employment and attract private investment.

From an economic perspective, Tshwane's key sectors include manufacturing, community services, finance, and trade. The community services sector accounts for the largest share of the Gross Value Added (GVA) at 35,8%, followed by the finance sector (19,7%), and trade (13,3%). While manufacturing remains pivotal – particularly through the automotive industry – its contribution has waned, reflecting broader economic pressures. Across its regions, Tshwane has experienced varied growth rates; the manufacturing-heavy Region 2, for instance, saw its manufacturing output decline in some areas while maintaining significant contributions in others, such as Rosslyn.

Tshwane's trade and investment facilitation functions are pivotal in driving economic competitiveness. The city's streamlined investment processes aim to attract Foreign Direct Investment (FDI), enhance local trade opportunities, and support local businesses in integrating into global supply chains. Sustainability initiatives, such as promoting green technologies, further align Tshwane with global economic trends while reinforcing its reputation as a modern, globally competitive city.

On a socio-economic level, Tshwane faces challenges tied to inequality and poverty. Nearly 78% of residents experience some level of poverty, with stark disparities across regions and race groups. However, the city's focus on improving social grants, housing access, and infrastructure development reflects its commitment to addressing these disparities. Projects such as the revitalisation of the inner city, private-sector-led mixed-use developments, and the establishment of affordable housing aim to reduce inequality and foster inclusivity.

Tshwane's economic revitalisation strategy aligns closely with South Africa's National Development Plan (NDP), emphasising job creation, skills development, and sustainable growth. By leveraging its strengths in research and development, its youthful population, and its strategic location within the African Continental Free Trade Agreement (AfCFTA), Tshwane has the opportunity to position itself as a leader within South Africa and the continent.

In conclusion, Tshwane's revitalisation strategy is both ambitious and necessary. Through targeted investments, innovative approaches, and partnerships, the city is poised to not only address current socio-economic challenges but also to establish itself as a globally competitive urban hub.

13 Proposed way forward

Given the complexity of Tshwane's economy, it is recommended that the following be done to enable the strategy to achieve its goals:

- The restructuring of Economic Development into a Full Department;
- Regional implementation plans be developed;
- Sector focus areas be identified, given the scope of the sectors;
- Determine the role in each intervention sector the city can play, and craft implementation plans according to it;
- Rework processes internally where needed to ensure efficient and effective service delivery is provided to key players as part of effective service delivery solutions;
- Evidence based decision making is essential;
- Establishing relationships with key Stakeholders;
- Review and identify incentives needed to attract investment and determine timelines and feasibility of those incentives; and
- Leveraging technology to support jobs and not to replace jobs, to improve processes and productivity.

Existing projects and activities that align with the strategy are outlined in annexure A.

Annexure A: Strategic projects (2025–2029)

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
Tourism and MICE	Cullinan Tourism Enhancement Project	Physical	Cullinan (Region 5)	Increased tourism arrivals, SMME benefit, employment opportunities	18 months	Cullinan Diamond Mine
	Hop-on-hop-off bus	Physical	Pretoria CBD (Region 3)	Increased tourism arrivals, SMME benefit, employment opportunities	12 months	TEDA, Tshwane Tourism, Private sector, Department of Roads and Transport
	Tshwane International Convention Centre (ICC)	Physical	Centurion (Region 4)	Increased tourism arrivals, SMME benefit, employment opportunities, increase hosting of events	5 years	Group Property Department, Private investors, Gauteng Growth and Development Agency, TEDA
	Arts and Crafts Programme/ Hubs (Co-operatives, SMME and Informal Traders)	Capacity building	Region 2, 3, 5, & 7	SMME benefit, employment opportunities	2 years	Group Property Department, Private sector, Small Enterprise Development and Finance Agency
	Develop accessible Township Tourism Routes	Physical	All Townships	Township Enterprise Development, Employment opportunities	2 years	Gauteng Tourism Authority, National Department of Tourism
	Promote inclusive training and accreditation of Tour Operators	Capacity building	City-Wide	50 beneficiaries per annum	Annually	Gauteng Tourism Authority, National Department of Tourism
	Collaborate with tourism businesses, cultural hubs, and training institutions to offer accredited internships, learnerships and	Capacity building	City Wide	Skilled and inclusive workforce	Annual	Private sector, Gauteng Tourism Authority, National Department of Tourism

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	mentorship opportunities					
	Develop inclusive learnership and internship programmes within Tshwane's tourism sector, prioritising the recruitment of youth, women, and persons with disabilities to build a diverse and skilled workforce.	Capacity building	City-Wide	Skilled and inclusive workforce	Annually	Gauteng Tourism Authority, National Department of Tourism, Private Sector
	Promoting equal access to services by training mobility assistants and sighted guides who will offer services for persons with visual, and mobility challenges.	Capacity building	City-Wide	Skilled and inclusive workforce	Annaly	Gauteng Tourism Authority, National Department of Tourism, Private Sector
	Offer Inclusive Tourism Industry Skills Development Programme	Capacity Building	City-Wide	500 beneficiaries	Annually	Gauteng Tourism Authority, National Department of Tourism
	Tourism Development Strategy	Policy	City-Wide	Increased tourist arrivals	6 months	Gauteng Tourism Authority, National Department of Tourism
Diplomatic economy	Annual International Food and Cultural Programme	Other	Region 3	Increased social cohesion, increased tourist arrivals, employment, enterprise development opportunities	Annually	DIRCO, Embassies, Gauteng Tourism Authority, National Department of Tourism, Gauteng Growth and Development Agency, TEDA

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	Tshwane Diplomatic Community Indaba	Other	City-Wide	Identify the needs and challenges of the Diplomatic Community in Tshwane	June 2025	DIRCO, Embassies, TEDA
	International Investment and Export development & promotion programme	Investment	City-Wide	Increased foreign direct investment and trade, job creation, enterprise development	Annually	DIRCO, Embassies, Department of Trade, Industry and Competition, Gauteng Growth and Development Agency, TEDA
	Forster and environment that allows Economic Diplomacy and Inclusivity for persons with disabilities	Capacity building	City-wide	Increased opportunities for persons with disability	Annually	Department of Community and Social Development
	Student exchange programme	Capacity building	City-wide	Job creation	Annually	National Department of Higher Education
	Upgrade diplomatic infrastructure.	Infrastructure development	Region 3 and 4	Increase investment, job creation	Annually	National Department of Public Works
Inner City Rejuvenation	Repositioning of informal traders in the CBD	By-law compliance	Region 3	Increase investment		Tshwane Metro Police Department, SAPS
	Inner-City Rejuvenation Indaba	Other	Region 3	Identify needs and challenges of the inner-city residents and businesses	June 2025	Private sector, National Department of Public Works, National Treasury, TEDA
	Establishment of Inner-City By-Laws Enforcement Technical Team	By-law compliance	Region 3	Restore law and order in the CBD	May 2025	TMPD, SAPS, Home Affairs, SARS
	Private sector partnership programme for the development and	Infrastructure	Region 3	Increased investment	June 2026	Private sector

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	maintenance of public infrastructure in the inner city (Street lights, public spaces)					
	Bad buildings and derelict buildings programme	By-law compliance	Region 3	Increased investment, safety and security	Weekly	Tshwane Metro Police Department, Private sector, National and Provincial Departments of Public Works
	Removal and closing of illegal traders, businesses and outdoor advertising within the CBD	By-law compliance	Region 3	Increased investment	Weekly	Tshwane Metro Police Department, SAPS
Advanced Manufacturing including Automotive and Aerospace sectors	Tshwane Automotive Development Cluster Programme	Infrastructure development, capacity building	Region 6 and 1	Increase localisation Electric vehicle Infrastructure Development Automotive Enterprise Development for SMMEs	2026	DTIC, GPG, Private sector
	Lobby for the construction of K217 road connecting Rosslyn to N4 for unlocking Tshwane Automotive City Project	Infrastructure	Region 1	Increased investment and vehicle production, job creation and enterprise development	2026	Gautrans, Gauteng Treasury
	Expand the Rosslyn SEZ for accessible electric vehicle (EV) production	Infrastructure	Region 1	Increased investment and vehicle production, job creation and enterprise development	2026	Nissan, BMW
	Tshwane Special Economic Zone (TASEZ) Phase 2 implementation	Infrastructure	Region 6	• 4000 jobs • investment of R6.3 billion • Support over 120 SMME	2025	DTIC GPG Ford SA

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
				•- 16 – Tier 2 and 3 OEMs		
	Youth Automotive Technical Skills Programme	Capacity Building	Region 1 & 6	Youth skilled development	2026	AIDC, TASEZ, OEMs, Universities & Colleges
	Public Charging station for electric vehicles	Infrastructure	All Regions	OEM's, Private investment in charging facilities	2028	AIDC, OEM's TASEZ, TDIC, Private sector, TEDA
	Battery PV plant	Infrastructure	All Regions	OEM's, Private investment in charging facilities	2027	AIDC, OEM's TASEZ, TDIC, Private sector, TEDA
Agriculture and Agro processing	Area-based commodity clustering for agro-processors	Investment	All Regions	SMME development	2026	DALLRD, GDARD, Agri-Seta, GDED & DTIC
	Private investment in agri-parks	Investment	Regions 1, 2 & 6	SMME development	2026	Group Property, Private Sector, TEDA
	Development of vertical farming business case	Investment	Region 2	SMME development	2026	DALLRD
	Public-private partnership on root-top farming	Investment	Region 3	SMME development	2026	DALLRD
	Sokhulumi Farmer Support Production Unit	Physical	Region 7	SMME Development	2026	DALLRD
	Integrate persons with disabilities into value chains through training, mentorship, and adaptive farming tools	Capacity building	All regions	Increased opportunities for persons with disabilities	2025	Department of Community and Social Development
	Winterveldt Farmer Support Production Unit	Physical	Region 1	SMME development	2026	DALLRD
	Small-scale value-add agricultural facility	Physical	Region 2 & 7	SMME development	2026	National and Provincial Department, Private Sector, Government Agencies

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
Research and Innovation	Host R&D Indaba in partnership with research institutes and universities to present new innovations	Capacity building	All regions	New economic development opportunities, new SMME development, new job opportunities	2025	Research and Innovation Division, research institutes, academic institutions, Innovation Hub, Technology Innovation Agency
	Promoting accessible research facilities and innovation labs for persons with disabilities.	Physical	All regions	Increased economic opportunities for people living with disabilities	2027	DSD, CGE, TIH, TIA
	Commercialisation of R&D in partnership with research institutes and universities	Capacity building	All regions	New economic development opportunities, new SMME development, new job opportunities	2025	Research and Innovation Division, TEDA, research institutes, academic institutions, Innovation Hub, Technology Innovation Agency
	Partner with Technology Innovation Agency (TIA) for the commercialisation of R&D	Capacity building	All regions	New economic development opportunities, new SMME development, new job opportunities	2025	Technology Innovation Agency, TEDA
	Make Tshwane the R&D Capital of Africa	Physical	Region 3	New economic development opportunities, new SMME development, new job opportunities	2025	Research and Innovation Division, research institutes, academic institutions, Innovation Hub, Technology Innovation Agency, TEDA
	Develop R&D hubs and promote start-ups.	Physical	Region 3	New economic development opportunities, new SMME	2025	Research and Innovation Division, research

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
				development, new job opportunities		institutes, academic institutions, Innovation Hub, Technology Innovation Agency, TEDA
Informal sector, township economy and enterprise development	Development of shortened land development process in designated areas as defined in the Draft Regionalised Spatial Development Framework bring, improved efficiencies and reduce time taken to apply for land use rights in the township	Policy	All regions	Formalisation of township businesses, increased investment into the townships	2025	City Planning and Development Division
	Designation of Township Enterprise Zones: Utilise the TED Act and RSDFs to designate township enterprise zones	Policy	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2026	Group Property Department
	Prevent and prosecute illicit business practices at spaza shops	By-law enforcement	All townships	Increased investment in the townships, job creation, formalisation of township businesses	2026	Tshwane Metro Police Department
	Register and regulate the quality of goods sold at Spazas	By-law enforcement	All townships	Increased investment in the townships, job creation, formalisation of township businesses	2026	None
	Compile a database of existing spazas and owners	By-law enforcement	All townships	Increased investment in the townships, job creation, formalisation of township businesses	2026	None

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	Promote local ownership of spaza shops (through drives & campaigns)	By-law enforcement	All township	Promote local economic development	2026	None
	Develop a database of non-compliant businesses	By-law enforcement	All townships	Increased investment in the townships, job creation, formalisation of township businesses	2026	None
	Develop retail fresh produce markets in the townships	Investment	All townships	Increased investment in the townships, job creation, formalisation of township businesses	2026	Tshwane Fresh Produce Market Division, Group Property Department
	Host tender readiness programmes for township, women-owned, youth-owned and PLD-owned businesses	Capacity building	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2026	Group Financial Services Department (Supply Chain Management Division)
	Mobilise financial and non-financial support for MSMEs: -Deliver non-financial interventions (Enterprise Development, Capacity Building Services, Business Planning Support Services, Quality Assurance Services, Export Awareness Services, Supplier Development Programmes and technology transfer) -Diversify and facilitate access to funding through existing and new partnerships with public and private sector MSMEs	Financial	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2026	Government Agencies (SDDFA, NEF, IDC) and private funding institutions

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	financing institutions/agencies					
	Market Development and provision of market services: -The Programme establishes market linkages to connect MSMEs with large corporations, government procurement opportunities, export markets -The Programme organises and/or facilitate participation of MSMEs in trade shows, exhibitions, and business networking events	Investment	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2026	Manufacturers and Retails (Massmart)
	Provision of enabling economic infrastructure: Development of Enterprise Hubs and sector-focused incubators in townships to provide enabling economic infrastructure, technology and technical skills to MSMEs	Physical	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2026	SEDFA, GEP, DTIC, GDED, IDC, GGDA
	Incentive to promote township economic development	Investment	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2026	Group Financial Services department and Services Departments
	Township Economy Indaba	Capacity building	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2025	SEDFA, NEF, GEP

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	Informal Trading Sector Indaba	Capacity building	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2025	SEDFA, NEF, GEP
	Mining Indaba – Top 10 mining projects to be implemented in the 3 years	Mining Indaba – Top 10 mining projects to be implemented in the 3 years	Mining Indaba – Top 10 mining projects to be implemented in the 3 years	Mining Indaba – Top 10 mining projects to be implemented in the next 3 years	Mining Indaba – Top 10 mining projects to be implemented in the 3 years	Mining Indaba – Top 10 mining projects to be implemented in the 3 years
	Mining Procurement Workshops for youth, women and PLD owned businesses	Mining Procurement Workshops for youth, women and PLD owned businesses	Mining Procurement Workshops for youth, women and PLD owned businesses	Mining Procurement Workshops for youth, women and PLD owned businesses	Mining Procurement Workshops for youth, women and PLD owned businesses	Mining Procurement Workshops for youth, women and PLD owned businesses
	Preferential Procurement Programme for People Living with Disability, Youth and Women	Preferential Procurement Programme for People Living with Disability, Youth and Women	Preferential Procurement Programme for People Living with Disability, Youth and Women	Preferential Procurement Programme for People Living with Disability, Youth and Women	Preferential Procurement Programme for People Living with Disability, Youth and Women	Preferential Procurement Programme for People Living with Disability, Youth and Women
	Mining Indaba – Top 10 mining projects to be implemented in the 3 years	Mining Indaba – Top 10 mining projects to be implemented in the 3 years	Mining Indaba – Top 10 mining projects to be implemented in the 3 years	Mining Indaba – Top 10 mining projects to be implemented in the 3 years	Mining Indaba – Top 10 mining projects to be implemented in the 3 years	Mining Indaba – Top 10 mining projects to be implemented in the 3 years
	Executive Mayor's Young Millionaire Programme in partnership with Captains of Industry	Capacity building	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2025	Private Sector, TEDA

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	Executive Mayor's Enterprise Development Programme in partnership with the private sector	Capacity building	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2025	Private Sector
	Youth Cooperatives Network	Capacity building	All regions	Increased investment in the townships, job creation, formalisation of township businesses	2025	NYDA
Circular economy	Industrial Waste Recycling Programme	Capacity Building	City-Wide	Job creation, climate change	2025	Private sector, CSIR
	Promoting accessibility in circular economy programmes, ensuring that persons with disabilities can engage in waste management and recycling initiatives.	Capacity Building	City-Wide	Increased economic opportunities for persons living with disabilities	2025	Department of Community and Social Development
	Household Separation at Source Programme	Capacity Building	City-Wide	Job creation, climate change	2025	Department of Agriculture and Environment
	Waste management and recycling project (Cooperatives)	Capacity Building	City-Wide	Job creation, climate change	2025	National Department of Environment, Private sector
	Promote the development of alternative building materials and technology from waste	Investment	City-Wide	Job creation, climate change	2025	Private Sector, Department of Agriculture and Environment
	Eco-Furniture Project	Physical	Region 1	Job creation, climate change	2025	National Department of Environment
Digital economy	Online application programme for informal traders	Digital	City-Wide	Revenue generation, enhanced by-law enforcement	2026	Shared Services Department

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	Mobile services to assist SMMEs facilities in township	Physical	City-Wide	SMME Development	2026	Private sector
	Social network marketing of small businesses	Capacity building	City-Wide	SMME Development	2026	Private sector
	Mobile digital skills programme (SMMEs, Technical skills)	Capacity building	City-Wide	Skilled workforce	2026	Private sector
	Digital/Virtual Youth Business Club – Mentorship/Incubation Programme	Capacity building	City-Wide	Skilled youth	2026	Private sector
	Integrated Township Digital Hubs (Manufacturing, distribution, training and repairs)	Physical	City-Wide	Skilled youth	2027	Private sector
	Women Drone Hustlers (Mentorship & Entrepreneurship)	Capacity building	Region 2 and 5	Skilled women	2026	NPOs, Private Sector, Tshwane Youth Development Unit, TEDA
	Junior Cyber security Analyst Training Programme (Entrepreneurship and mentorship)	Capacity building	Region 1 and 4	Skilled youth	2026	NPOs, Private sector,
	Ekasi Labs	Capacity building	All	Youth employment, SMME and innovation support	Medium to long-term	TIH, Science & Technology and GDED, TIA
	Roll out free Wi-Fi to stimulate township entrepreneurship and digital skills	Capacity building	City-Wide	Enhanced entrepreneurship	2026	Private sector
Ease of doing business	Develop an ease-of-doing-business scorecard & trackable metric	Investment	City-Wide	Improve conduciveness of business and investment environment	June 2026	City of Tshwane internal Departments, Invest-SA, GGDA, SALGA, National Treasury
	Identify key areas for improvement to	Investment	City-Wide	Greater levels of investment	December 2026	City of Tshwane internal

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	facilitate business in the city			retention and expansion		Departments, CCBC, Industrial Forums, Property Development Forum, Invest-SA, GGDA
	Promote and enhance business conditions and development	Investment	City-Wide	Increase rand value of investments and job creation	Ongoing	City of Tshwane internal Departments, CCBC, Industrial Forums, Property Development Forum, Invest-SA, GGDA
	Digitise, streamline and simplify the application process and business conditions (Investment Portal and Investment Business Line)	Investment	City-Wide	Digitise, streamline and simplify the application process and business conditions (Investment Portal and Investment Business Line)	June 2025	Group ICT, CRM, Marketing and Communications
	Fast-track new proposals in the city	Investment	City-Wide	Increase rand value of investments and job creation	Ongoing	City of Tshwane internal Departments, DTIC, GGDA, GDED, Invest-SA,
Student Economy/City	Executive Mayor's Students Indaba	Policy	Region 3	Understanding the problems and needs of students	2025	Academic institutions, private sector, TEDA
	Conduct city tours targeting new tertiary students in an effort to introduce them to the city.	Capacity building	Region 3	Increased awareness of the city and its tourism offering, so students can enjoy the city and ultimately be its tourism ambassadors when they graduate and	Annually	Academic institutions, Tshwane Bus Service

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
				get employed elsewhere.		
	Establish entrepreneurship hubs for students.	Physical	Region 3	Increased employability of young people, increased entrepreneurship amongst the youth	2025	Academic institutions, TEDA
	Build affordable and accessible student housing.	Physical	Region 1, 2, 3 4, 6	Increased property investment in the City of Tshwane	2025	Academic institutions, Private sector, Group Property Department, Tshwane Housing Company
	Align academic programs with industry needs.	Capacity building	All regions	Job creation	2025	Academic institutions
	Technical Skills Academy	Capacity building	Region 7	100	2025 and annually	Mines
	Agricultural Training Programme	Capacity building	Region 1, 2, 7	30 learners	2025 and annually	Agriseta
Sport City	Modernise sports facilities and ensure that they are accessible to persons living with disability	Physical	City Wide	Increased opportunities for persons living with disability	2026	Department of Community and Social Development, TEDA
	Host international tournaments	Investment	City Wide	Increased tourist arrivals	2026	Department of Community and Social Development, TEDA
	Develop youth sports programs.	Capacity building	City Wide	Increased sporting opportunities for the youth	2025	Department of Community and Social Development
Construction Sector	Fast tracking of approval process for development and building applications	Physical	All regions	Increased property investments in the City of Tshwane, job creation	2026	City Planning & Development and Built Environment & Enforcement Divisions, Services Departments

Strategic Priority/Pillars	Project	Project Type (Physical/ policy/ Capacity building, investment, by-law compliance)	Area/ Region	Impact	Timeliness	Partners
	Property Development Forum (PDF) forum	Capacity building	All regions	Ease of doing business	Quarterly	City Planning and Development Division
	Bulk Electricity Supply at Pyramid South	Physical	Region 2	Increased property investments in the City of Tshwane, job creation	2026	None
	Bulk Water Supply in and around Bronkhorstspruit	Physical	Region 7	Increased property investments in the City of Tshwane, job creation	2025	Mines
	Integrated Bulk Infrastructure Development in the City of Tshwane	Physical	All regions	Increased property investments in the City of Tshwane, job creation	2026	City Planning Division and Services Departments
	Bulk Infrastructure Financing Model	Physical	All regions	Increased property investments in the City of Tshwane	2026	City Planning Division and Services Departments
General Projects	Database per sector (CRM) – online platform	Other	All regions	Integrated and comprehensive database across all economic sectors	2025	Shared Services Department
	Executive Mayor's Economic Sector Forums	Investment	All Regions	Building closer working relationship between the industry and the City	2025	All Departments