



GAUTENG PROVINCE
ECONOMIC DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

GAUTENG IDZ

Revised Annual Performance Plan for 2025/26



GAUTENGIDZ

INDUSTRIAL DEVELOPMENT ZONE

EXECUTIVE AUTHORITY STATEMENT

The OR Tambo IDZ was designated as an Industrial Development Zone in terms of the Manufacturing Development Act in 2002. At that time, 725ha within and around the OR Tambo International Airport Precinct was gazetted for the IDZ's development.

Pursuant to this, in 2009, the GIDZ Development Company SOC Limited was established as a Special Purpose Vehicle to develop and operate the OR Tambo IDZ programme. Therein after, an Operator Permit to develop and operate the OR Tambo International Airport IDZ was issued to the GIDZ during December 2010. Issuance of the Permit allowed the GIDZ to finally proceed with planning for development of the IDZ.

During the planning phase, it became clear that not all the land that had been identified and gazetted for the IDZ's development was available – some of that land was privately owned, some had been earmarked by Airports Company South Africa (ACSA) for expansion of the runway, whilst some of it belonged to Denel who had earmarked it for their own development. Eventually, only a 7.5ha piece of land was available for the IDZ's development. This land parcel which belongs to ACSA was subsequently leased by the Gauteng Provincial Government - on behalf of the GIDZ.

Recognizing that the SEZ programme cannot only comprise of a 7,5ha development, the GIDZ sought and has acquired, other pieces of land for expansion of the SEZ outside the OR Tambo International Airport Precinct, however in close proximity thereto.

The additional pieces of land are within the Eastern Corridor of Gauteng and therefore still use proximity and ease of access to the airport as a key value proposition. The pieces of land that the GIDZ has acquired are the following:

- Land on the north of OR Tambo Airport, bordering Atlas Road. This piece of land (herein referred to as OR Tambo SEZ Precinct 2) is owned by the Gauteng Provincial Government, and measures 29ha.
- A 13,9ha piece of land in Springs next to the Impala Platinum Refinery in Springs, Ekurhuleni. This property (herein referred to as the OR Tambo SEZ Springs Precinct) is earmarked specifically for the beneficiation of Platinum Group Minerals, making its proximity to the Refinery ideal.

Following a re-designation process undertaken in line with the requirements of the new SEZ Act, 16 of 2014, the two above land parcels – together with the initial 7,5ha (now referred to as OR Tambo SEZ Precinct1) were formally gazetted as part of the OR Tambo International Airport SEZ programme in September 2019.

The re-designation and gazetting process was undertaken concurrent to construction of OR Tambo SEZ Precinct 1 with the latter Precinct becoming partly operational in April 2019. The remaining parts of the precinct inclusive of top structure, finishes and external works were completed in the early 2024/25 financial year. In this regard, this Precinct has been developed into an agro-processing and mineral beneficiation facility. It is at this Precinct that one of the world's largest fresh food factories with the second largest refrigeration plant has been established. Additionally, a Jewellery Manufacturing Park is located here, providing a central point for diamond and jewellery beneficiation companies, as well as essential regulatory bodies like the State Diamond Trader and the South African Diamonds and Precious Metal.

With the development of OR Tambo SEZ Precinct 1 completed, the GIDZ has turned its attention to the development of both OR Tambo SEZ Precinct 2 and the Springs Precinct. To date, preparatory work has already been done on both sites; this includes detailed market attractiveness and commercial case studies that determined the industries and sectors that must be located at the Precincts. In addition, land readiness efforts that include technical designs as well as EIAs are in place for both land parcels, whilst township establishment approval is in progress for Precinct 2 and already in place for Springs.

The next major stage in the development of OR Tambo SEZ Precinct 2 and the Springs Precinct is **bulk infrastructure installation**. This infrastructure, which is typically funded by Government, is **fundamental** to the investment commitment by companies who have expressed interest to set up manufacturing operations at the SEZ. Bulk infrastructure is also key for any crowding in of third-party top structure investment to occur.

In lieu of funding constraints being experienced by the fiscus due to, inter alia, the impact of the COVID-19 pandemic, the GIDZ has developed an alternative funding strategy that seeks to explore different options and solutions that can be considered in the SEZ's development. However, without a doubt, infrastructure funding by government will remain critical to the accelerated delivery of both OR Tamb SEZ Precinct 2 and the Springs Precinct.

This APP has therefore been developed considering these constraints. The APP also takes cognisance of amongst others, the following:

- The role of the GIDZ in delivery of the SEZ programme in Gauteng Province and in the country;
- The core mandate of the 7th provincial administration, as captured in the Gauteng Provincial Government's Ten Pillars and the Province's Economic Development Plan;
- An evolving national policy environment that includes the Industrial Policy Action Plan; IPAP, the National Development Plan 2030 as well as the National Industrial Policy Framework (NIPF);
- The priorities of the GGT2030 and related roadmap;
- The Economic Recovery Plan as outlined by the office of the Presidency;
- Present economic and growth constraints within the country.



Signature Executive Authority
Gauteng IDZ
Date: 01 October 2025

OFFICIAL SIGN-OFF


It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the GIDZ under the guidance of the Executive Authority.
- Takes into account all the relevant policies, legislation and other mandates for which the Gauteng IDZ is responsible.
- Accurately reflects the Impact, Outcomes, and Outputs which the GIDZ will endeavour to achieve over the financial year 2025-26.

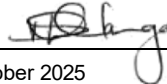
Nkaya Sebothoma
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Date: 01 October 2025


Maidei Matika
Chief Investment Facilitator

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Date: 01/10/2025

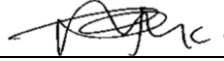
Lynase Mhlanga
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Thandiwe Ngqobe
Chief Executive Officer

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Approved by:
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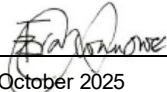
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Date: 01 October 2025

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PART A: BACKGROUND

1. Establishment Mandate

The GIDZ Development Company SOC Ltd ('GIDZ' or Gauteng IDZ') is a *Special Purpose Vehicle established by the Gauteng Growth and Development Agency to manage the establishment and operationalization of the designated Special Economic Zone ('SEZ') at the OR Tambo International Airport.*

The establishment of the GIDZ was undertaken in support of the IDZ programme initiated by National Government, which programme, amongst others, called for the establishment of dedicated special purpose vehicles to manage the IDZ process in designated IDZ areas, of which the OR Tambo International Airport is one such area. This programme has since been replaced by the Special Economic Zone programme,

The legislated *mandate of the GIDZ is to create an enabling platform for investment opportunities through public/private partnerships and direct development investment.*

The *specific intention* is for the GIDZ to drive focused manufacturing and beneficiation programmes whilst supporting the positioning of Gauteng as a global city region. **Key** to delivering on this specific mandate is that the GIDZ effectively works towards facilitating an increase in industrialization and manufacturing capabilities in Gauteng.

The GIDZ also supports the GGDA in its mandate to 'lead, facilitate and manage sustainable job creation and inclusive economic growth and development in the Gauteng City Region'.

2. Updates to the relevant Legislative and policy mandates

GIDZ's mandate is informed and guided by various national and provincial acts and regulations as a public entity viz:

Act	Purpose
National Legislation	
Public Finance Management Act, 1999	To regulate financial management and to ensure that all revenue, expenditure, assets, and liabilities of that government are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in that government, and to provide for matters connected therewith.
Companies Act, 2008, as amended	To provide for the incorporation, registration, organisation, and management of companies. To provide for equitable an efficient merger and takeovers of companies.
Public Service Act of 1994, amended in 2007	To provide for the organisation and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement, and discharge of members of the public service, and matters connected therewith.
Treasury Regulations, 2005	Outlines the requirements for the development and submission of Strategic Plans, as well as, related quarterly performance reporting.

Act	Purpose
National Legislation	
Public Service Regulations, 2016	Outlines the requirements for the development, tabling, and submission of Strategic Plans and reporting against the plans.
Promotion of Access to Information Act, 2000	To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights, and to provide for matters connected therewith.
Intergovernmental Relations Framework Act, 2005	To establish a framework for the national government, provincial governments, and local governments to promote and facilitate intergovernmental relations; to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes, and to provide for matters connected therewith
Preferential Procurement Policy Framework Act, 2000	To give effect to section 217 (3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217 (2) of the Constitution, and to provide for matters connected therewith.
Employment Equity Act, 1998	To promote the constitutional right of equality and the exercise of true democracy; eliminate unfair discrimination in employment; ensure the implementation of employment equity to redress the effects of discrimination
Basic Conditions of Employment Act, 1997	To give effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment; and thereby to comply with the obligations of the Republic as a member state of the International Labour Organisation; and to provide for matters connected therewith.
Labour Relations Act, 1995	It regulates the organisational rights of trade unions and promotes and facilitates collective bargaining at the workplace and sectoral level. Furthermore, it promotes and maintains sound labour practices.
Statistics Act 6 of 1999	The purpose of this Act is to advance the planning, production, analysis, documentation, storage, dissemination and use of official and other statistics.
Occupational Health and Safety Act, 1993	To provide for the health and safety of persons at work and the health and safety of persons in connection with the use of plant and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.
Skills Development Act, 1998	Increasing the skills levels of human resources in the workplace and to support career pathing.

Act	Purpose
National Legislation	
The SEZ Act, 16 of 2014	To provide for the designation, promotion, development, operation and management of Special Economic Zones; to provide for the establishment, appointment of members and functioning of the Special Economic Zones Advisory Board; to provide for the establishment of the Special Economic Zones Fund; to regulate the application, issuing, suspension, withdrawal and transfer of Special Economic Zones operator permits; to provide for functions of the Special Economic Zones operator; to provide for transitional arrangements; and to provide for matters connected therewith.
Broad-Based Black Economic Empowerment Act, 2003	To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice and to publish transformation charters; to establish the Black Economic Empowerment Advisory Council, and to provide for matters connected therewith.
Development Facilitation Act, 1995	To introduce extraordinary measures to facilitate and speed up the implementation of reconstruction and development programmes and projects in relation to land, and in so doing to lay down general principles governing land development throughout the Republic
South African Qualification Authority Act, 2000	To provide for the National Qualifications Framework; to provide for the responsibilities of the Minister of Higher Education and Training; to provide for the South African Qualifications Authority; to provide for Quality Councils; to provide for transitional arrangements; to repeal the South African Qualifications Authority Act, 1995; and to provide for matters connected therewith.
Promotion of Access to Information Act, 200	To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights, and to provide for matters connected therewith.
Provincial Legislation	
Blue IQ Investment Holdings Act, as amended	
Gauteng Tourism Act, 2001	
The Gauteng Tender Board Repeal Act, 2002	
Gauteng Unfair Business Practices Act, 1996	

3. Updates to Institutional Policies and Strategies

The following are the policy frameworks and plans from which the entity derives its mandate for implementation as pronounced by the Government:

- The National Development Plan
- Medium Term Development Programme
- Economic Recovery Plan
- Gauteng City-Region Economic Development Framework
- Growing Gauteng Together 2030 (GGT2030)
- The Creative Industries Development Framework

4. Updates to Relevant court rulings

There are no specific court rulings that have a significant, ongoing impact on operations or service delivery obligations.

PART B: SITUATIONAL ANALYSIS

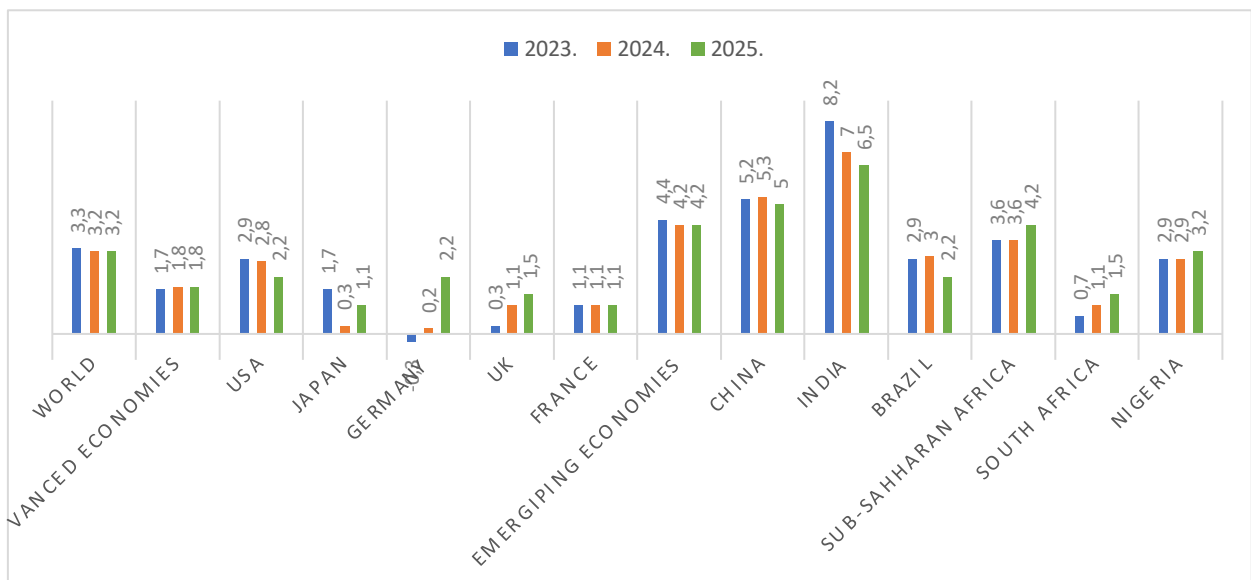
5. External environment analysis

Global Economic Performance

The Global Context: Divergent Post-Covid Recovery

Global growth was stable in the third quarter of 2024 but at a low performance. Declines were reported for some major economies in Europe and emerging economies. However, growth in the United States was adjusted upwards which somewhat offset the underperformance from other major economies. In emerging market and developing economies, disruptions to production and shipping of commodities—especially oil—conflicts, civil unrest, and extreme weather events have led to downward revisions to the outlook for the Middle East and Central Asia and that for sub-Saharan Africa.

Figure 1: Revised Global Growth Projections (October 2024)



IMF WEO Report (October 2024); GGDA BI

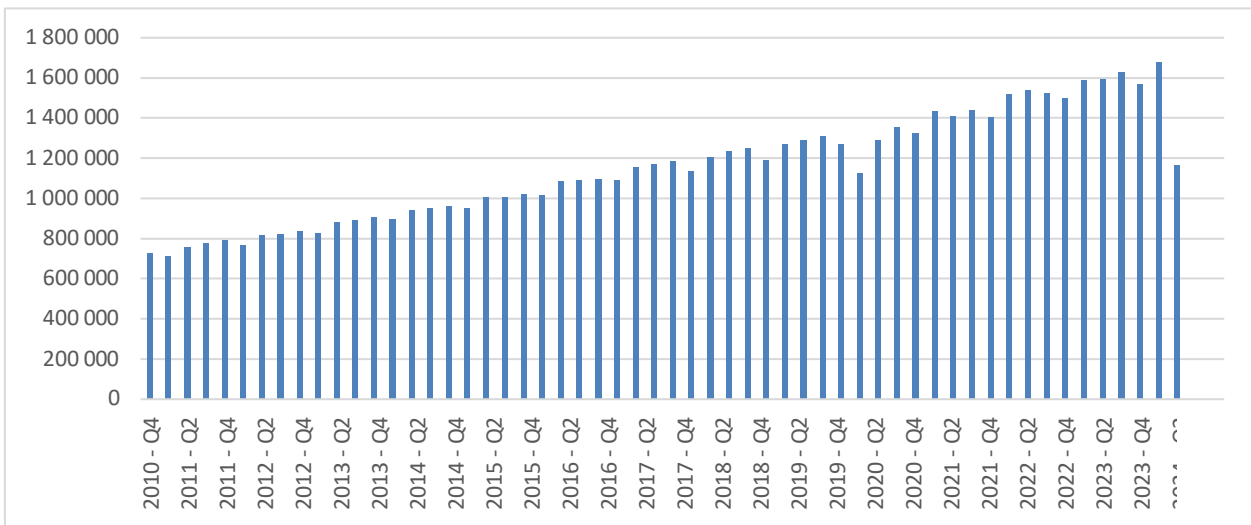
However, growth picked up in emerging Asia, where surging demand for semiconductors and electronics, driven by significant investments in artificial intelligence, has bolstered growth, a trend supported by substantial public investment in China and India. progress on disinflation, which is complicating monetary policy normalization. Upside risks to inflation have thus increased, raising the prospect of higher for even longer interest rates, in the context of escalating trade tensions and increased policy uncertainty. Relative to the June 2024 WEO, first quarter growth remained flat with divergent output reported for many countries, although upside in the United States, and downsides in Germany and Japan were notable. In the United States, growth was adjusted upwards following strong outperformance while in Japan there was a sharper-than-expected slowdown in growth due to subdued consumption and a trade deficit. In China, fiscal policy to support artificial intelligence spending boosted domestic consumption third quarter, aided by what looked to be a temporary surge in exports belatedly reconnecting with last year's rise in global

demand. But the engine of global growth seems to be India. It should be noted that both USA and China are large economies and growths that exceed 2% is significant.

South Africa's GDP Declines in Q3 2024

South Africa registered a reversal of growth as the GDP decreased by 0.3% in the third quarter of 2024, following an increase of 0.3% in the second quarter of 2024. The decline was mainly driven by contraction in agriculture (down 28,8% and contributing -0,7 of a percentage point to the negative GDP growth). This was primarily due to decreased economic activities reported for field crops as the activities in the sector are seasonal and field crops will only be expected after the summer rains.

Figure 2: South African Annualised Quarterly GDP Performance over the years (R billion)



Source: Statistics SA (2024), GGDA BI

Transport, storage and communication industry also decreased by 1,6%, contributing -0,1 of a percentage point. One of the largest sectors, trade decreased by 0,4%. Decreased economic activities were reported for wholesale trade, motor trade and food and beverages. General government services decreased by 0,1%, mainly due to decreased employment in national and provincial government and extra-budgetary institutions. However, growth in the finance, real estate and business services industry of 1,3% boosted moderated the decline in the output.

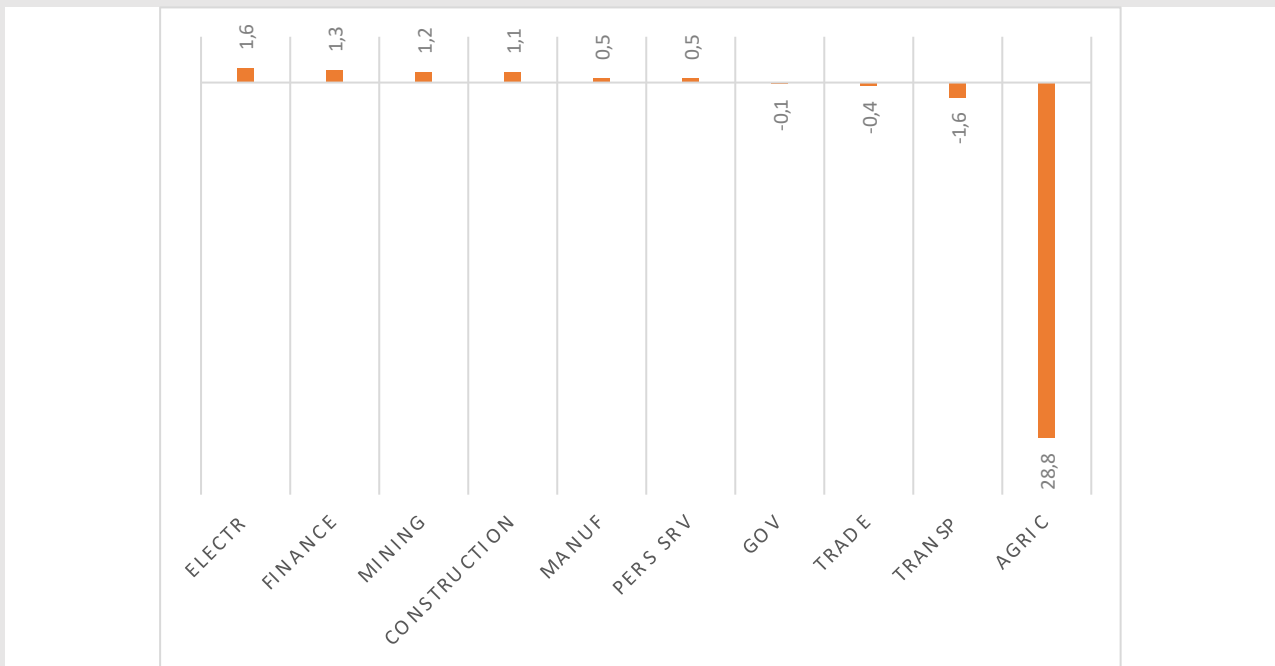
Box 1: Structural Dynamics and Policy Challenges

South Africa's economy shows a mix of resilience and vulnerability as it continues its post-COVID recovery. Annual GDP growth of 1.2% indicates some stability, but a contraction in the last quarter (-0.3%) reveals persistent challenges in critical sectors like mining, manufacturing, and agriculture. These foundational industries, historically significant to the national economy, face headwinds from global market shifts and domestic inefficiencies. Real GDP was R1 161 billion in Q3: 2024, down from an all-time high in the previous quarter. This was surprising given that the country had gone an elongated period of no loadshedding and will tamper investor confidence as indicated by the decline in the exchange rate of the rand to US dollar.

Sectoral Contribution to GDP decline in Q3 2024

Four of the ten industries registered declines in Q3 of 2024 led by agriculture, transport, trade and general government. However, electricity as well as finance grew by 1.6% and 1.3% respectively. Significant contributions also came from mining, construction personal services. Although the manufacturing sector posted a growth of trade 0.5%, this was insignificant given that agriculture, transport and trade declines contributed -28.8% and -1.6% and -0.4% respectively, thus resulting overall GDP decline in the quarter.

Figure 3: Growth by sectors in Q3 2024 (%)



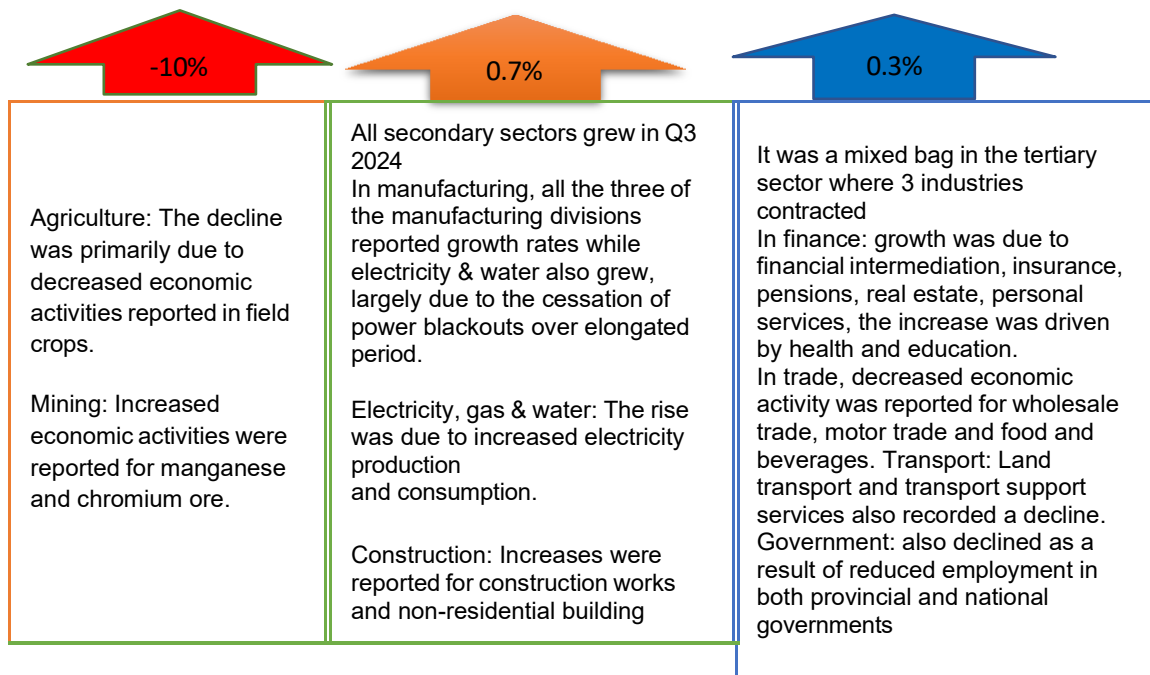
Source: Statistics SA, GGDA BI

The finance sector is a standout, consistently driving growth and emerging as a stabilizing force in the economy. However, this strength contrasts sharply with severe job losses in the sector—down 58,500 jobs in the last quarter and over 121,000 in the past year. This anomaly suggests structural transformations such as automation, cost-cutting, or a shift in business models, which may improve productivity at the expense of employment. Policymakers must strike a balance between supporting the sector's competitiveness and addressing its socio-economic fallout. Meanwhile, agriculture, construction, and mining show signs of recovery, driven by short-term gains. These sectors, particularly construction, which grew due to infrastructure projects, represent opportunities for sustained investment and job creation. However, long-term challenges remain, requiring strategic attention to unlock their full potential.

Performance by Broad Sectors

Only the primary sector registered negative growth in Q3 of 2024 of 10% while the secondary sector registered broad and significant growth in all the three industries. The tertiary sector recorded modest growths in two industries (finance and personal services) while three (Transport, Trade and Government) others contracted. The two-pot pension system led to growth in the finance sector as some pensioners cashed out a portion of their pension fund after the law was changed to enable early withdrawal.

Figure 4: GDP Performance by Broad Sectors (Q3 2024)



Source: Statistics SA, GGDA BI

Provincial GDP growth in Q3 2024

While the national GDP growth contracted by **-0.3% in Q3 2024**, Gauteng's economy advanced by 0.3%. indicating a resilient economy, perhaps buoyed by the significant growth in the finance sector which is mostly concentrated in the province. This suggests that while other regions struggle, Gauteng's diversified economy and its role as the financial and industrial hub allow it to absorb shocks more effectively and continue growing. Since 2020Q1, Gauteng has continued to strengthen its position as South Africa's economic engine, increasing its share of GDP from 33.6% to 34% in 18 quarters while other provinces face challenges in maintaining or growing their contribution to national GDP. However, this pose increases socio-economic pressures in Gauteng as people migrate to Gauteng in search for more opportunities.

Gauteng continue to show growth across all periods, with **2.4% (post-COVID)**, **1.2% (year-on year)**, and **0.3% (in Q3 2024)**.

The economy of the **Eastern Cape** registered significant post-COVID growth of **2.2%** but slowed to **0.0% in the year ending Q3 2024** before declining by **0.3%** in the third quarter of 2024.

North West posted post-COVID growth of **2.1%**, **0.5 in the year ending Q3 2024**, before declining by 0.2 in the third quarter of 2024).

Limpopo posted moderate post-COVID growth (**0.6%**) but was flat over remaining periods under consideration.

Western Cape had a modest post-COVID growth of **1.2%** but declined by 0.75 in the third quarter of 2024.

Both the **Northern Cape** and **Free State** have consistently posted negative growth across all the periods under consideration, with the most significant decline observed in the third quarter of 2024.

KwaZulu-Natal also shows declining trends, with the worst performance in the last 90 days (**-0.9%**).

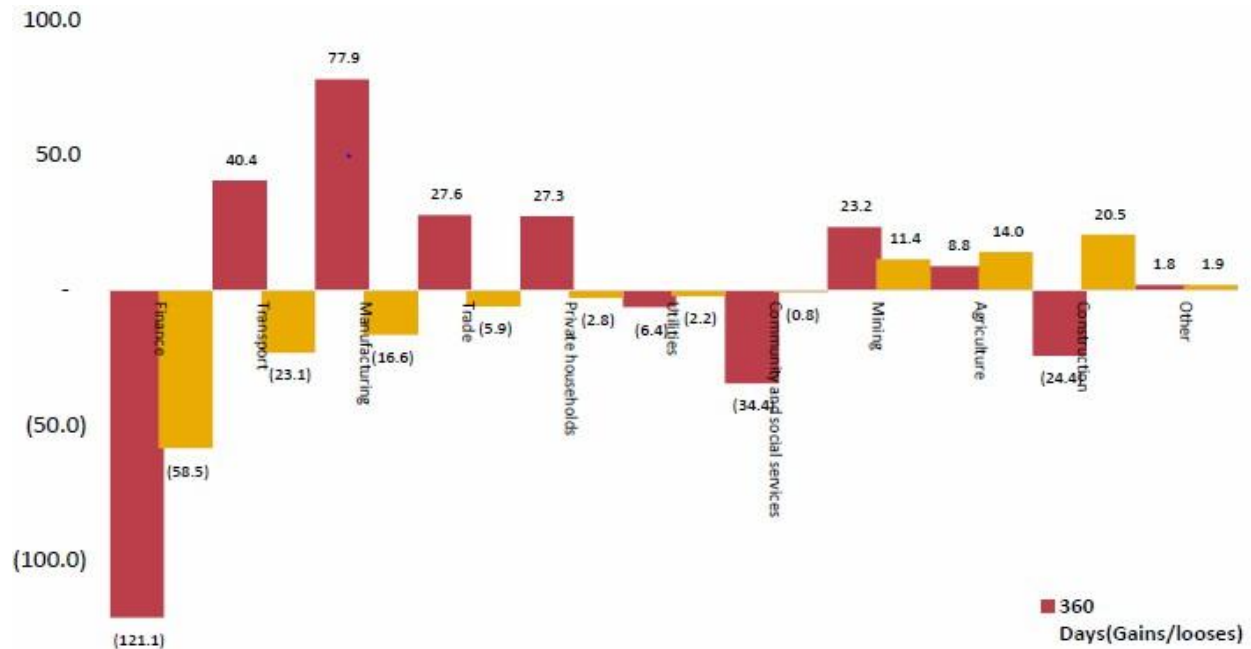
Observation: many provinces, particularly those dependent on traditional industries like mining and agriculture, have seen a decline in their contribution to national GDP. This reflects broader structural issues within the South African economy such as the energy crisis challenges in the mining sector and volatility in global markets as well as the seasonal (off-season) declines attributed mainly to the agricultural sector.

Gauteng's Dominant Role in Driving Economic Recovery

Gauteng remains the cornerstone of South Africa's economy, contributing 34% of the national GDP at the end of Q3 2024, up from 33.6% in Q1 2020. Its post-COVID GDP growth of 2.4% far outpaces the national rate of 1.2%, with a 1.2% growth over the past year compared to the national average of 0.4%. Even in the last quarter, while the national GDP contracted by -0.3%, Gauteng achieved a modest growth of 0.3%. This robust performance highlights its diversified economic structure and its role as the financial and industrial hub of South Africa. KwaZulu-Natal and the Western Cape, the second and third-largest provincial economies respectively, present a more mixed picture. KwaZulu-Natal, contributing approximately 16% to national GDP, has faced recent challenges, including a decline of -0.9% in the last quarter. This reflects ongoing struggles in its manufacturing and logistics sectors, exacerbated by global trade disruptions and local socio-political factors, such as the lingering effects of the 2021 unrest. Over the post-COVID period, its growth has been subdued, reflecting vulnerabilities in key industries. The Western Cape, accounting for around 14% of the national GDP, has shown more consistent resilience, with post-COVID growth of 1.2%, in line with the national average. However, it contracted by -0.7% in the last quarter, driven by declines in tourism and agriculture—two sectors central to its economy. The province's relatively stable performance over the longer term highlights its diversified economic base, including strong contributions from finance and technology.

Gauteng Sector Performance the Last Year

Figure 5: Sector share to Gauteng's economy



StatsSA (2024);

Sectors Driving Growth:

Finance was the anchor sector in the year ending September 2024 which saw its cumulative growth of 1.4%. The dominance of the financial sector showcases its linkages to all of the sectors and its resilience to survive even during lockdown and power outages. The performance is driven by banking, insurance, and business services, supports economic growth. Other sectors that contributed positively to the province growth is the transport sector which grew by 0.2% with a Share of GDP growth of 16.0%. Community services, including health, education, and other social services, are providing consistent growth, possibly due to government support and demand for public services. The positive growth in Electricity, Transport, General Government: These sectors each grew by 0.1%, contributing between 7.5% and 8.1% it was mainly due to increased investment in the alternative electricity generation methods, while transport and general government spending are also supporting GDP.

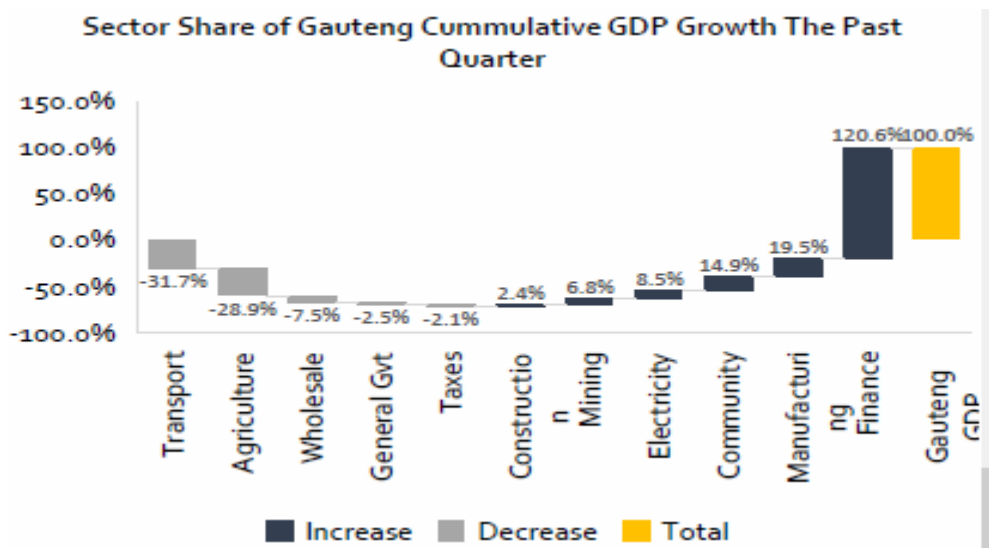
Key Sectors dragging Growth:

Manufacturing declined cumulatively by 0.2% while its share of the growth over the last year declined by 11.8%. Manufacturing has seen a negative impact on Gauteng's economy, suggesting challenges in industrial output and possible issues like supply chain disruptions, increased costs, or lower demand.

Wholesale also declined by 0.1% in the year ending Q3 2024 and its share of the GDP growth over the period also declined by 9.1%. The wholesale sector is facing negative growth, reflecting weaker consumer demand or trade issues. Construction's cumulative growth was -0.1% and its share of the GDP growth over the period was -8.6%. The construction sector is also in decline, which could be tied to fewer infrastructure projects or reduced investment in real estate. Agriculture and Mining: Cumulative Growth: Both sectors have seen a drop of -0.1%, with shares of GDP growth at -5.1% for agriculture and -4.7% for mining: Agriculture's contribution is shrinking, potentially due to droughts or other adverse weather conditions, while mining,

which traditionally plays a key role in the economy, may be suffering from commodity price fluctuations or labor.

Figure 6: Gauteng Cumulative GDP Growth by Sector in Q3 2024



StatsSA (2024)

Weighted contributions by sector

Positive Contributors:

Finance is the largest contributor across all periods, in the last year Finance growth has outpaced the growth of the aggregate economy 2.0% (post-COVID). The sector posted 1.1% growth 360 days year-on-year and 0.4% on the quarter.

Community Services also made a significant contribution of 1.1% (post-COVID), 0.2% (360 days) and 0.1% (90 days).

Transport contributed 0.6% post-COVID, though its contribution declined to negative over 90 days.

Negative Contributors:

Agriculture consistently detracts from growth, particularly in the short term (-0.1% weighted contribution over 90 days).

Construction and **Manufacturing** weigh on post-COVID growth (-0.4% and -0.6%, respectively). However, despite its recovery in the last 90 days, the sector has struggled post-COVID, likely due to reduced infrastructure investment or weak private sector demand.

Wholesale Trade also declined slightly, posting a -0.4% decline post-COVID).

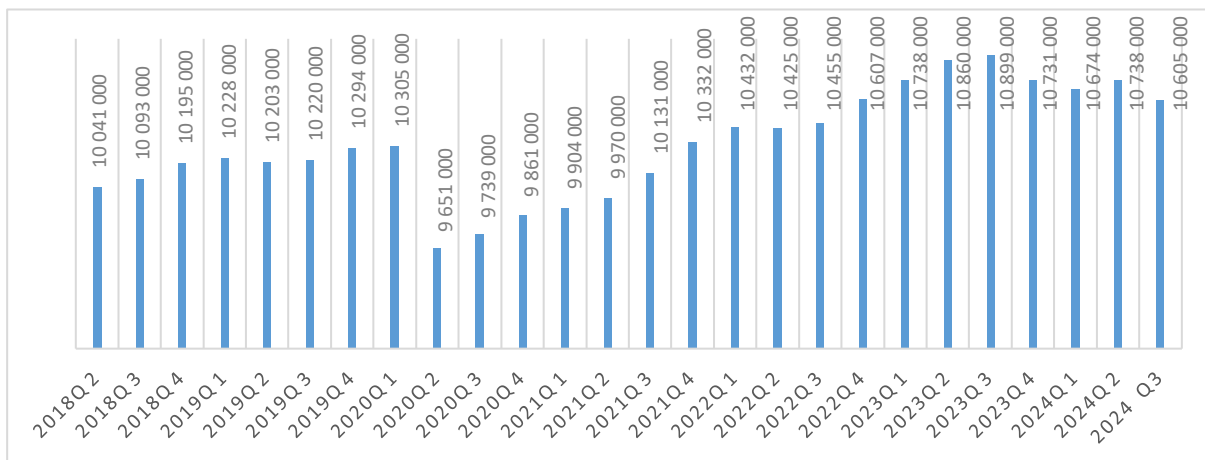
National Employment Scenario in Q3 2024

South Africa's unemployment rate fell to 32.1% in Q3 of 2024, down from a two-year high of 33.5% in the prior period, marking the first decrease since Q3 2023. The number of unemployed individuals dropped by 354 thousand, reaching 8 million, the lowest figure in almost a year, while the labour force declined by 79 thousand to 24.9 million. Discouraged work-seekers increased by 160 thousand and the number of persons who were not economically active for reasons other than discouragement increased by 54 thousand. On the other hand, employment increased by 294 thousand to an all-time high of 16.9 million. Job gains were concentrated in community and social services (+194 thousand), construction (+176 thousand), and trade (+109 thousand), while the finance sector saw the largest decline (-189 thousand). The expanded definition of unemployment, which includes those discouraged from seeking work, was 41.9% in Q3, compared to 42.6% in the previous three-month period.

Increase in employment

The number of employed people decreased by 133 thousand from 10 738 000 in Q2 2024 to 10 605 000 in Q3 2024 but still higher than the pre-covid low of 9.9 million in Q1 2021. This figure represents a decrease of 1,2% when compared to the previous quarter. Year-on-year there was an annual decrease of 294 thousand jobs (-2.7%) in Q3:2024 compared with the corresponding quarter of the previous year.

Figure 7: Employment (number) in South Africa from 2018Q2 to 2024Q4



StatsSA (2024; GGDABI)

South Africa's Employment Gains by Sector

It is important understand the GDP and employment share of each sector/industry. This is necessary because some sectors may be small in GDP, but their share of employment is larger. In Q3 of 2024, community services industry reported the most decline with 131 000 jobs, primarily driven by decreases in part-time employment. This sector also lost most jobs (265000) annually (between Q3 2023 and Q3 2024). Other sector that lost significant jobs in the year was the business services sector which includes finance, insurance and real estate. On the quarter, the sector lost 15000 jobs and, in the year, ending Q3 2024, the sector lost 24000 jobs.

Figure 8: Sectorial Employment in Q3 2024 (thousands)

	Q-to-Q ('000)	Y-on-Y ('000)
Trade	19	26
Manf	-4	-6
Business services	-15	-24
Transport	-3	0
Construction	4	-16
Mining	-2	-10
Community services	-131	-265
Electricity	-1	1

StatsSA (2025); GGDA BI

Only the trade and construction sectors posted modest growth in employment of 19000 and 4000 respectively in the quarter.

Gauteng Employment Scenario

Gauteng has a total of 5.03 million people employed across its regions. In the past quarter, despite being the largest contributor to employment, Gauteng experienced a modest net gain of 17.3k jobs over 360 days but a significant loss of 66k jobs in the last 90 days. This suggests recent economic challenges or sectoral disruptions. Notably, this is the first contraction in Gauteng labour numbers in the last 18 quarters.

Corridor Breakdown

Between April and September 2024, the number of "not economically active" population in Gauteng increased by 154.6k from 3,416.7k to 3,571.3k, reflecting a larger portion of the population is exiting the labor force. This increase was primarily driven by metro areas, with Ekurhuleni showing the largest rise of 78.6k, followed by Johannesburg with 69.4k, and Tshwane with a modest increase of 9.7k. Conversely, the non-metro areas saw a slight decline of 3.1k, indicating stability or increased economic engagement in these regions.

In the same period, unemployment in Gauteng decline of 198.6k, falling from 2,755.5k to 2,556.9k. Metro areas contributed most to this improvement, with Ekurhuleni experiencing the largest drop of 105.8k, followed by Johannesburg, which saw a decrease of 86.6k, and Tshwane, which improved by 20.6k. However, non-metro areas showed a contrasting trend, with unemployment increasing slightly by 14.5k, signaling localized economic challenges.

Employed: Employment in Gauteng experienced a modest decline, decreasing by 65.9k from 5,102.6k to 5,036.7k. The largest drop occurred in Johannesburg, where employment decreased sharply by 115.9k, while Ekurhuleni also saw a small reduction of 6.8k. In contrast, Tshwane showed positive growth, with employment increasing by 41.5k, and non-metro areas added 15.2k jobs, demonstrating resilience in certain areas outside the metros.

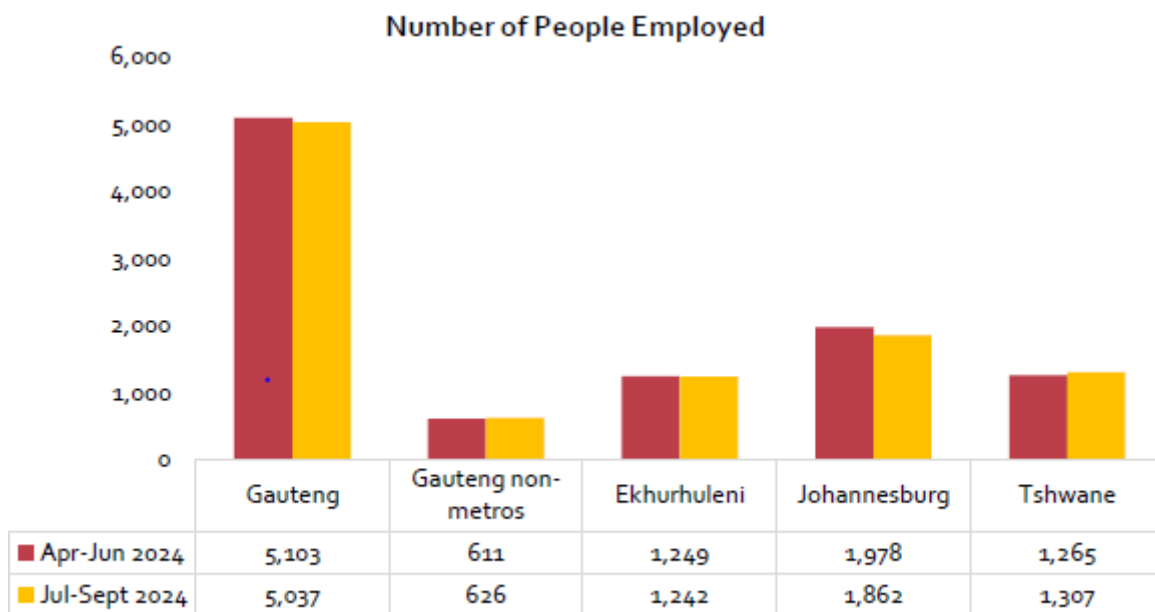
Unemployment Rate: The unemployment rate in Gauteng declined overall, falling from 35.1% to 33.7%. Metro areas, particularly Ekurhuleni, showed significant improvement, with its rate dropping from 33.4% to 29.5%. Johannesburg also improved modestly, declining from 34.3% to 32.6%, while Tshwane saw a

slight decrease from 35.3% to 34.9%. However, non-metro areas faced increased challenges, with the unemployment rate rising slightly from 40.1% to 42.1%, reflecting growing disparities between metro and non-metro regions.

Regional Breakdown

Gauteng Non-Metros: Non-metropolitan areas of Gauteng have the highest unemployment rates in the province, reaching 40.1% in April-June 2024. These areas, which are likely more rural or peri-urban, often struggle with lower levels of economic activity, fewer job opportunities, and less access to major industries compared to the metros. The increase highlights the need for targeted interventions to stimulate job creation and economic growth in these regions.

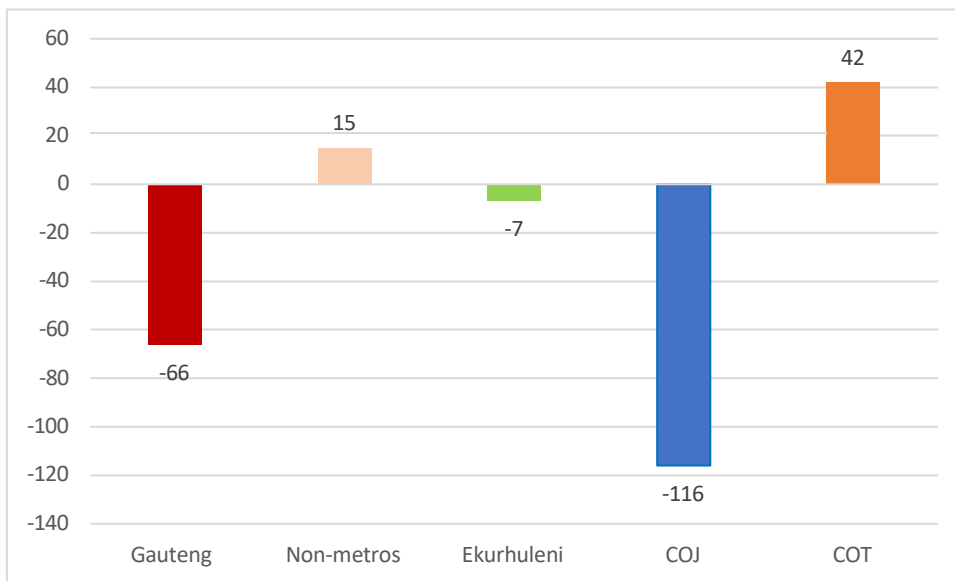
Figure 9: Number of people employed in Gauteng administrative districts (2024Q3)



StatsSA (2024)

Ekurhuleni: Ekurhuleni’s unemployment rate rose from 32.8% to 33.4%. As a major industrial and logistics hub, the increase is concerning as it suggests that despite the area's economic importance, it is not immune to the broader challenges facing the South African labour market.

Figure 10: Employment changes by Gauteng metros in the last 90 days



StatsSA (2025); GGDA BI

Persistent Challenges in Non-Metro Areas: The non-metropolitan areas of Gauteng continue to experience the highest unemployment rates, with over 40% of the labour force unemployed. This reflects the regional economic disparities within Gauteng, where non-metro areas face higher joblessness compared to metro areas with more diversified economies.

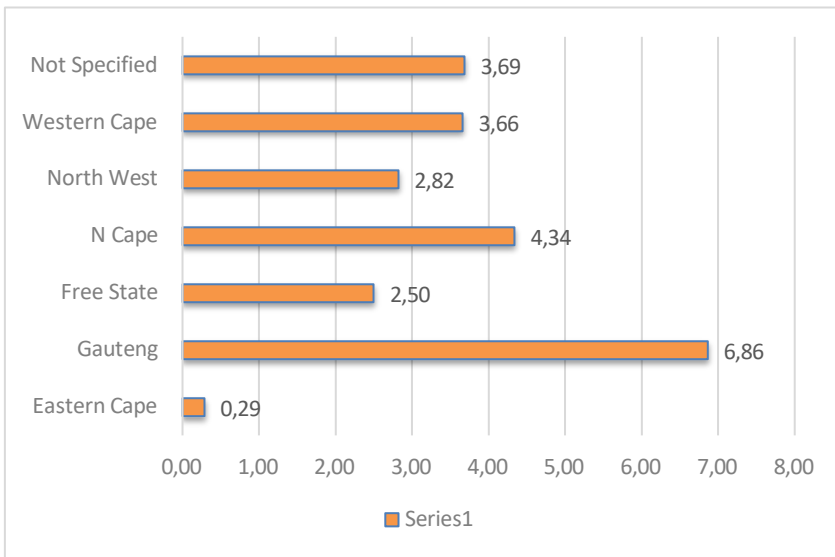
Gauteng’s weak labour performance, despite largest and fastest contributor to GDP, since the pandemic is concerning and indicates potential areas for economic strengthening and job creation initiatives. Since 2008, the Gauteng labour market has produced jobs at a slower pace than the rest of the country whilst unemployment growth in Gauteng has outpaced unemployment growth in the country. In the COVID-19 recovery period unemployment growth has performed better than the rest of the country however employment growth still lags behind the rest of the country.

Foreign Direct Investment 2024 Q3

South Africa Foreign Direct inflows

In the second quarter of 2024, South Africa received R24.44 billion of FDI, which was significantly higher than that received in Q2 2024 when the country only received R6.17 billion. The Gauteng city region accounted for 28% of FDI inflows (R6.86 billion) which was the highest. Northern Cape also received significant capital inflows worth R4.3 billion. Other significant recipients were Western Cape (R3.7 billion), North-West with R2.8 billion and Free State which received R2.6 billion in the period under review.

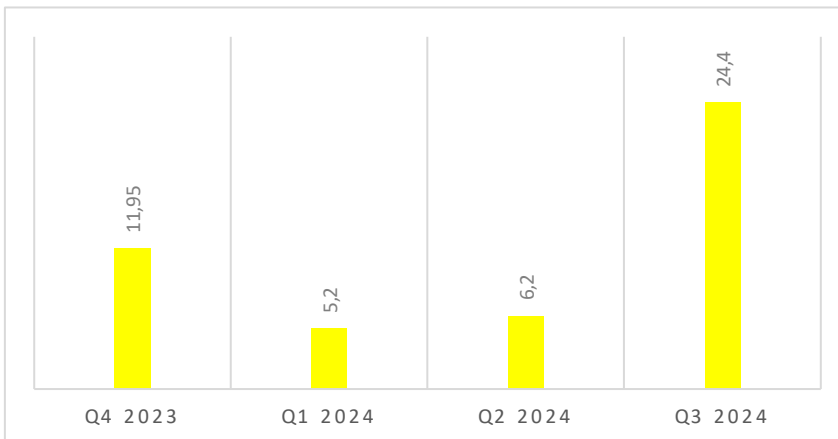
Figure 12: FDI by Destination Province (2024 Q3)



Source: FDI Markets GGDA BI

Cumulatively South Africa has received R47.75 billion since the beginning of the fiscal year. Notably, FDI received to date is significantly higher than that received over the same period in 2023, and higher than that received in the other two quarters of 2024.

Figure 13: National FDI 2023Q3 to 2024Q3 (R billion)



Source: FDI Markets GGDA BI

However, readers must note that this figure will change once we have full data for 2024 Q3.

Notable Companies Investing in South Africa in 2024 Q3

A total of 47 companies announced investments worth R24.44 billion in South Africa during the 3rd quarter of 2024. Notably, Teraco Data Environments from the USA invested in the renewable energy sector in

Gauteng in a project worth R2.582 billion that created 21 direct jobs. Other, notable investors included Mainstream Renewable Power and Scatec AS, both from Norway, which invested R2.582 billion in both the Free State and North-West respectively, in the renewable energy sector. During the same period, Scania from Germany was also a significant investor in the auto sector where it invested R1.922 billion in Gauteng. Electricite de France (EDF) also invested in the renewable energy in both Northern Cape and North-West where it invested R1.784 billion in the renewable sector. The latter resulted in the creation of 60 jobs in each of the two provinces. Eastern Platinum (Eastplats) from Canada invested in the metals sector in North-West where the company spent R1.04 billion that created 196 jobs. At this point it can be noted that FDI targeting the renewable energy sector is not labour intensive while those that target auto and the mining sectors are labour intensive. The table below illustrates some of the top investors in the country in period under consideration.

Table 1: Notable Investing Companies In South Africa 2024Q3

Company	Source	Province	Sector	Capex
Teraco	USA	N-Speci	Renewable energy	2581,7
Mainstream Renewable Power	Norway	FS	Re- energy	2581,7
Scatec AS	Norway	NC	Re-energy	2560,2
Scania	Germany	Gauteng	Auto	1922,1
EDF	France	NC	Re-energy	1784,0
EDF	France	NW	Re-energy	1784,0
Eastplats	Canada	NW	Metals	1037,0
Nissan	Japan	Gauteng	Auto	921,9
PepsiCo	USA	Gauteng	Food & Beverages	632,2
Hisense	China	WC	Leisure	467,9

Source: FDI Markets GGDA BI

Most FDI inflows came from Norway and the USA where investments worth 5.56 billion and R3.8 billion respectively originated. Other notable source countries were France and Germany which sent R3.7 billion and R3.2 billion respectively. Other notable source countries were France, Germany and Mauritius where

investments worth R3.7 billion, 3.2 billion and 1.01 billion originated from in the period under review. However, according to employment created, FDI from Germany were by far the most capital intensive creating a total of 945 direct jobs in the period under review.

Table 2: FDI sources in Q3 2024 (South Africa

	Jobs	Capex (Rm)
Norway	37	5568,42
USA	154	3763,06
France	189	3700,01
Germany	945	3188,88
Mauritius	100	1013,97
Switzerland	231	710,24
UK	439	567,58
Netherlands	45	547,64

Source: FDI Markets GGDA BI

FDI from the UK were also employment intensive as the two projects that were wort R 467 million created 439 direct jobs. This is because FDI from Germany targeted auto, business services, industrial equipment and transport. On the other hand, FDI from the UK targeted business services.

Gauteng FDI inflows in Q2 of 2024

16 Companies announced investments in Gauteng that totalled 6.86 billion in capex and created 1519 jobs in Q3 2024. This was significantly higher than what the province received in Q2 2024 in terms of both capex and jobs created. During the quarter, Germany sent 5 projects that invested R3.15 billion and created 933 jobs. Other notable investments came from the USA, Switzerland, UK and Mauritius.

Table 3: Companies investing in Gauteng in Q2 2023

Company	Source	Jobs	Capex (Rm)
Scania	Germany	630	1922,10
Nissan	Japan	169	921,93
Rhenus Logistics	Germany	104	370,92
SMSA	Saudi Arabia	104	314,47
PepsiCo	USA	100	632,16
BMW	Germany	95	354,35

Africa Deployments	Mauritius	76	161,07
Innomotics	Germany	67	326,74
New Concept Mining	Sweden	67	326,74
Hemmersbach	Germany	37	171,81

Source: FDI Markets GGDA BI

In Quarter 3 of 2024, the automotive & OEM sector received the bulk of FDI in Gauteng in the quarter under review. Investment in this sector were worth R2.844 billion and created 799 jobs. Transportation attracted R681 million worth of FDI but created sizeable employment of 208 jobs. Business services sector received FDI that totalled R1.3 billion but only created 36 jobs during the quarter.

Domestic direct Investment (DDI) in Q3 2024

Categories with Positive Growth: Other Assets: Exceptional growth of 32.0% post-COVID, contributing 7.0% to total investment. Sustained growth is observed over 360 days (5.7%) and 90 days (4.4%). Machinery and Other Equipment: Grew by 3.8% post-COVID, contributing 3.3%, although it faced a decline over 360 days (-2.7%). Construction Works (90 Days): Showed recovery with 1.4% growth, contributing 0.2%.

Categories with Declines: Non-Residential Buildings: The steepest decline, with -42.3% post-COVID, contributing -4.9%, and minimal recovery in subsequent periods. Residential Buildings: Contracted by -18.6% post-COVID, contributing -4.5%, with continued declines over 360 days (-4.1%) and 90 days (-0.8%). Construction Works: Fell by -17.8% post-COVID, contributing -6.0%, though showing improvement in the last 90 days. Transport Equipment: Declined by -6.1% post-COVID and -6.9% over 360 days, with further contraction in 90 days (-2.7%). Transfer Costs: Consistently negative performance, with -11.6% post-COVID and further DECLINES OVER ALL PERIODS. General Government: Strong growth post-COVID at 8.2%, contributing positively (1.4%)., Although slightly negative over 360 days (-0.1%), it rebounded significantly in the last 90 days (6.4% growth), contributing 1.1%. Public Corporations: Marginal decline post-COVID (-1.9%), contributing -0.2%. Substantial recovery over 360 days (8.0% growth) and the last 90 days (3.1% growth), contributing 0.9% and 0.4%, respectively. Private Business Enterprises: Significant decline post-COVID (-10.8%), contributing -8.0% to total investment contraction. Continued decline over 360 days (-5.1%) and in the last 90 days (-1.7%), contributing -3.7% and -1.2%, respectively.

Figure 13: South African DDI Scenario in Q3 2024



Quantec (2024); GGDA BI

Conclusion and Way Forward

The remarkable recovery in electricity production and supply is a positive contribution to the modest the economy recorded in the 2nd quarter of 2024. However, the increasing electricity tariffs and surcharges being levied by some municipalities will moderate this positive development. The increased tariffs are effectively increasing cost of doing business and making the country unattractive for investment.

Consumer confidence is rising

On the back of a sustained period of no-loadshedding, the economy saw recovery in some of the most important sectors such as manufacturing and retail. Consumers are now spending more on durable (cars, housing), semi-durable (clothing, furniture) and services (recreation, restaurants and personal services) than before indicating an increase in disposable income and consumer optimism. Manufacturing sector is one of the most important one for the province and the country as it is not only big in size but also employment intensive. The sector has been on the decline for many years, and it is important to see that it is beginning to rebound. A positive consumer confidence will support the growth of the sector and that of trade as well as finance. In the smaller sectors that are employment intensive such as agriculture and mining, growth in agriculture is seasonal while mining is increasingly becoming capitalised.

Recommendations

Boost Private Sector Investment:

There is no choice but the economy, at all levels; local, provincial and national, must increase investments in infrastructure to create a conducive environment for business. The recently announced financial constraints by the national treasury should not result in the curtailment of infrastructure spending. A spending prioritisation between social and capital should be implemented to give preference to capital investment rather than expanding social grants. However, that is unlikely to happen in the electioneering period when the government and opposition parties are bound to up their rhetoric.

Private Business Enterprises saw the steepest decline in investment growth (-8.4% over 360 days). Gauteng should implement policies to restore business confidence and incentivize capital investment in key sectors like finance, manufacturing, and technology. We should offer targeted Gauteng-specific incentives or subsidies for private enterprises, especially in sectors showing potential recovery like residential and non-residential buildings.

Increase Infrastructure Spending

Construction works continue to decline (-1.7% over 360 days). Address the bottlenecks in public infrastructure projects by accelerating government infrastructure initiatives. We should fast-track public infrastructure projects and ensure efficient allocation of resources to transport, energy, and housing sectors to stimulate growth and employment. We should also explore the feasibility of Gauteng Provincial Government in Issuing Green and Infrastructure Bonds.

Expand Public-Private Partnerships (PPPs)

Both the public and private sectors have faced sharp investment declines, with government investment shrinking (-8.1%). This calls for a stronger public-private partnerships (PPPs) for large-scale infrastructure and service projects. This can help alleviate budget constraints while tapping into private sector efficiency.

Sector-Specific Growth Support

Finance remains the dominant sector, contributing 98.7% of growth in the last year. However, other sectors like manufacturing and wholesale have recently shown signs of recovery.

Recommendation: Provide sector-specific growth plans to diversify the economy. Focus on strengthening manufacturing, wholesale, and community services to reduce over-reliance on finance.

Tackle Energy Supply Issues

Although electricity grew marginally, power shortages remain a key issue impacting multiple sectors like mining and manufacturing. We should accelerate investment in renewable energy projects and improve energy infrastructure. Partner with private entities to develop solar and wind energy projects to ensure a reliable energy supply. Encourage Innovation and Digitalization: Create incentives for businesses to adopt new technologies, like AI, IoT, and blockchain, to drive productivity.

Improve Export Competitiveness: Exports contribute 27% to South Africa's GDP, but Gauteng's growth has been limited by infrastructure bottlenecks. We should improve logistics infrastructure (ports, rail, and roads) to support export activities. Partner with the private sector to streamline customs and trade processes to facilitate faster exports.

6. Internal environment analysis

An analysis of the internal environment was done through utilising the SWOT technique.

INTERNAL FACTORS	
STRENGTHS +	WEAKNESSES –
<ul style="list-style-type: none"> ● Pockets of strong subject matter expertise. ● Competent management. ● Political will and support. ● Unqualified audits. ● Supportive stakeholders and board. 	<ul style="list-style-type: none"> ● Brand Visibility. ● Insufficient budget and funds allocation. ● Organisational structure is not keeping up with the evolving organisation. ● Reliance on shared service in some areas disadvantages the organisation in achieving high level of service delivery.
EXTERNAL FACTORS	
OPPORTUNITIES +	THREATS –
<ul style="list-style-type: none"> ● Establish a better destination and economic brand hierarchy for global marketing efforts. ● Effective partnering with relevant stakeholders ● Positioning of OR Tambo SEZ as a prototype aerotropolis SEZ. ● Unlocking other funding resources and investments. 	<ul style="list-style-type: none"> ● Government legislations/regulation constraints ● Political volatility/uncertainty. ● Declining investor and business confidence. ● Exchange rate fluctuations and inflationary pressures. ● Safety and security issues (perceived and real) ● Unforeseeable weather conditions that impact on construction progress. ● Labour unrests.

7. Operating Context

Legislative Constraints

As a Special Purpose Vehicle established to develop and operate the Industrial Development Zone, the IDZ was granted an IDZ Operator Permit by the then Minister of the Department of Trade and Industry, Dr. Rob Davies during December 2010.

The IDZ Operator Permit, which was issued in terms of Regulations 57 (e) and 17 of the IDZ programme (as amended), indicates that the Operator is authorised to develop and operate the OR Tambo IDZ. Pursuant to this, a new SEZ Act came into effect. The main aim of the Act is to create enabling platforms for the effective and efficient implementation of the SEZ programme.

Constraints have however been identified in the Act's implementation. These relate to **governance arrangements** that must be put in place for the SEZ entity. Specifically, **Section 25(2) of the SEZ Act** requires that entities established to manage the SEZs must either be national government enterprises or provincial government business enterprises contemplated in section 1 of the Public Finance Management Act. This clause has created a challenge, especially for SEZ companies established before the Act became operational; these include companies such as the GIDZ who in terms of the Act were established as 3C enterprises or subsidiaries of 3C enterprises.

Furthermore, SEZ companies existing prior to the operationalization of the new Act are required to fully transition into SEZs within a three-year period of the Act's operationalisation. The companies were further required to submit a plan confirming arrangements to be effected in this regard.

Whilst it can be confirmed that the GIDZ has submitted and secured approval on its plan to transition; the issue of the GIDZ's scheduling is yet to be finalized. This notwithstanding, the **GIDZ continues to operate in compliance to all legislative and regulatory requirements** that guide the operations of a public entity; these include the SEZ Act, PFMA, Companies Act and other applicable statutes, regulations and guidelines.

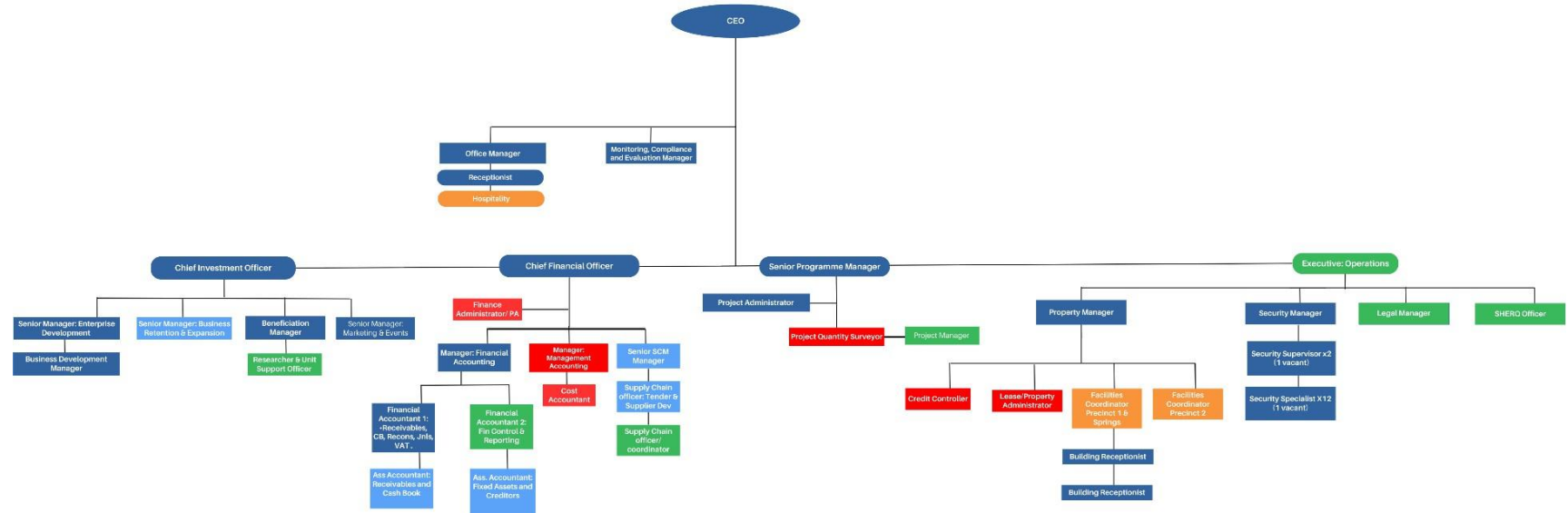
Institutional Arrangements

The GIDZ operates within a shared services model of the GGDA, with some functions managed at Group Level. In support of this, the below institutional arrangements presently exist. It should however be noted that the structure of the organisation will continue to be reviewed as the Company evolves.

For 2025/26 the operations of the GIDZ are structured as follows:

GIDZ Organogram

Filled	Blue
On Structure - Unfunded Vacant	Orange
New Request - Unfunded Vacant	Red
New Request - Funded Vacant	Light Blue
On Structure - Funded & Vacant	Light Green



8. Geographic Footprint

Following conclusion of land arrangements on where the IDZ would be located and in support of the requirements of the new SEZ Act (No. 16 of 2014) that came into effect during 2016, the IDZ re-designated and gazetted by way of public notice, the land parcels forming part of its SEZ programme. In this regard, in September 2019, the **following land parcels were formally gazetted as part of the now renamed OR Tambo International Airport SEZ:**

OR Tambo SEZ Precinct 1

This is a 7,5ha land parcel located inside the property boundaries of OR Tambo International Airport. Located on the northern part of the Airport, this site forms part of the original land parcels that were identified for the then OR Tambo International Airport IDZ.

It is at this Precinct that one of the largest fresh food factories in the world with the second largest refrigeration plant globally has been established. This Precinct is also home to the Jewellery Manufacturing Precinct (JMP), a mineral beneficiation cluster conceptualised to promote productivity and export of mineral beneficiated products from South Africa.

Together, the development and operations of the food and mineral beneficiation activities at OR Tambo SEZ Precinct 1 are projected to contribute over R20b to South Africa's GDP. In addition, 800 and 2500 construction and direct jobs will be created respectively.

The completion of OR Tambo SEZ Precinct 1 development has yielded significant outcomes, with eighteen investors currently operating within the precinct. To date, the development has generated 1,636 construction jobs and 2,734 jobs through tenant operations. The precinct has also facilitated 43 internships in operations and construction. Furthermore, the agro-processing activities of the investor at OR Tambo SEZ Precinct 1 support over 5 000 economic opportunities across the value chain, thereby ensuring that direct, indirect and induced agricultural economic opportunities are realised and retained through the operations of the SEZ.

Administratively, the precinct achieved National Key Point registration in the 2024/25 financial year, highlighting its strategic importance and security. The South African Civil Aviation Authority has also approved the OR Tambo SEZ Helipad's operationalization within Precinct 1.

OR Tambo SEZ Precinct 2

OR Tambo SEZ Precinct 2 is a 29ha land parcel located in Kempton Park along Atlas Road, adjacent to OR Tambo SEZ Precinct 1. In lieu of its competitive location in proximity to the OR Tambo International Airport, this land parcel is earmarked for the production and export of high value low mass products; these include perishables (viz. pharmaceutical and medical devices and fresh food products), electronics as well as advanced components.

The development of OR Tambo SEZ Precinct 2 is projected to contribute the following to the Country's economy:

- Job creation: 6 390 Construction jobs (Skilled 1441, Semi-Skilled 3567 and Low-Skilled 1382);
- Increased exports through OR Tambo International Airport;

- R2.7 billion revenue projections over 30 years / IRR 13.71% based on Land Preparation only (i.e. Tenant Development of Top Structures);
- R20.7 billion revenue projections over 30 years/IRR 12.75% for GIDZ built Top Structure;
- Enhanced technical skills, supported by a successful skills development programme.

Springs Precinct

The Springs Precinct is a 13,9ha land parcel located next to the Impala Platinum Refinery in Springs, Ekurhuleni. Situated on the northern fringes of the Springs urban area – approximately 3,5km north of the CBD and some 30kms from OR Tambo International Airport, the Precinct has been identified as suitable for the production and export of PGM related products via air freight. These include fuel cells, an emerging US\$5b market projected to reach US\$40b by 2026.

In addition, the Springs Precinct is earmarked for the enhanced manufacturing of capital and mining equipment. In this regard, Ekurhuleni is already a major supplier of capital equipment into sub-Saharan markets in Africa. Studies have however revealed that there is a need to incentive localization aimed at growing this R85b industry into one that can take advantage of infrastructure development opportunities to continue being experienced in Africa over the next 2 decades. Within this context and in lieu of its proximity to the OR Tambo International Airport as well as the site's easy access to the N1 (South Africa's road connection to north of the continent), this Precinct is ideal for the manufacturing of products that can move by both road and air freight.

From a socio-economic perspective, it is envisaged that development of this Precinct will contribute the following to the economy of the Country:

- Job creation: 1 648 Construction jobs (Skilled 372, Semi-Skilled 920 and Low-Skilled 356);
- Estimated R100 million contribution to the country's exports;
- R514 Million revenue projections over 30 years / IRR 10.87% based on Land Preparation only (i.e. Tenant Development of Top Structures);
- R4.6 Billion revenue projections over 30 years/IRR 11.98% based on GIDZ built Top Structure Leases;
- Enhanced technical skills, supported by successful skills development programme.

PART C: LEGISLATED FUNCTIONS & PROJECTED SOCIO-ECONOMIC RETURNS OF THE OR TAMBO SEZ PROGRAMME

9. Legislated Functions

The Operator Permit granted to the GIDZ requires the entity to undertake two key functions viz: **infrastructure development as well as investment attraction and facilitation.**

Concurrently, the **new SEZ Act** which was introduced to, inter alia, create enabling platforms for the effective and efficient implementation of the South African SEZ programme **requires that SEZ companies contribute to industrial and economy growth.** Amongst others, it is envisaged that the Companies will support the country's increase in FDI and export promotion, whilst also assisting to strengthen South Africa's industrial base and absorption. Specifically, **Section 35 of the SEZ Act has highlighted the following as functions of the SEZ Operator:**

- **Implementation of the strategic plan**, same that must be undertaken within the framework of the SEZ strategy;
- Provide or facilitate the **provision of infrastructure and other services** that the SEZ requires for its operations;
- Make **improvements to the SEZ and its facilities** thereof;
- Provide adequate demarcation for the **Customs Controlled Area** for the protection of revenue together with suitable provision for the movement of conveyances, vessels and goods entering or leaving the SEZ;
- Provide **adequate security** for the SEZ's operations;
- Adopt rules **and regulations for businesses operating within the SEZ**, in order to promote their safe and efficient operations;
- **Maintain adequate and proper accounts** and other records in relation to the business operations of the SEZ;
- **Promote the SEZ as a foreign or domestic direct investment destination;**
- **Recommend approvals to the Advisory Board** for the location of businesses at the SEZ;
- **Make applications** to the Minister of Finance for **support measures** in the form and manner prescribed, including **funding applications as well as access to incentive schemes;**
- **Facilitate a single point of contact or One Stop Shop** that delivers required services to business operating in the SEZ thereby ensuring simplified procedures; and
- **Perform any other activities within the scope of the SEZ Act** that promote the effective functioning of the SEZ.

More recently and in support of engagements held at national level, SEZs are also expected to **facilitate the identification of and access to opportunities for MSMEs and / or emerging enterprises.**

As the organisation designated with the responsibility to oversee all the above, the GIDZ has developed this APP: with accompanying targets and outcome indicators.

The entity will, through the implementation of the outcome indicators, also address the National Development Plan 2030 priorities, specifically Priority 1, which is – Economic Transformation and Job Creation. Collectively, these outcomes will contribute to the overall strategic provincial priorities set out in the GGT2030.

PART D: PERFORMANCE INFORMATION

11. Institutional Performance Information

Programme 1: Infrastructure Development

Purpose: To project manage the infrastructure development of the OR Tambo SEZ.

Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance 2024/25	MTEF Period		
			2021/22	2022/23	2023/24		2025/26	2026/27	2027/28
Levels of economic activity in localities in which infrastructure was delivered	Infrastructure projects completed	% of OR Tambo SEZ Precinct 2 bulk infrastructure development completed	Infrastructure Development – Bulk Designs not Commenced	Infrastructure Development – Bulk Infrastructure development not initiated	-	50% bulk infrastructure development completed	50% bulk infrastructure development completed	95% bulk infrastructure development completed	100% bulk infrastructure development completed
Enhanced skills development to support inclusive economic growth	Interns mentored in the OR Tambo SEZ operations and construction mentorship programme	Number of interns participating in the OR Tambo SEZ mentorship programmes	10	26	7	15	10	10	15

Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
% of OR Tambo SEZ Precinct 2 bulk infrastructure development completed	50% bulk infrastructure development completed	15% bulk infrastructure development completed	25% bulk infrastructure development completed	45% bulk infrastructure development completed	50% bulk infrastructure development completed
Number of interns participating in the OR Tambo SEZ mentorship programmes	10	-	2	4	10

Programme 2: Investor Attraction

Purpose: To enhance stakeholder engagements and facilitate investor attraction into the OR Tambo SEZ.

Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance 2024/2025	MTEF Period		
			2021/22	2022/23	2023/24		2025/26	2026/27	2027/28
Structurally transformed economy	Economic Opportunities facilitated for MSMEs	Number of MSMEs who benefitted from the OR Tambo SEZ programmes	27	132	51	55	60	70	80
Attractiveness of Gauteng as preferred investment destination economy	Value of Domestic and foreign investment committed into the SEZ	Rand value of investment committed to the OR Tambo SEZ	-	R1,3bn	-	-	R2bn	R1bn	R1bn
	Growth of the SEZ investor pipeline	Number of investors secured for Precinct 2	New	New	New	New	2	2	2
	OR Tambo SEZ Precinct 1 investment portfolio retained	% Average occupancy rate per annum for Precinct 1	New	New	New	New	90%	90%	90%

Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
Number of MSMEs who benefitted from the OR Tambo SEZ programmes	60	15	30	45	60
Rand value of investment committed to the OR Tambo SEZ	R2bn	-	-	-	R2bn
Number of investors secured for Precinct 2	2	-	-	-	2
% Average occupancy rate per annum for Precinct 1	90%	-	-	-	90%

Programme 3: Operations – Assets and Facilities Management

Purpose: To deliver efficient and effective Facilities and Security Management services for tenants who occupy the OR Tambo SEZ

Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance 2024/2025	MTEF Period		
			2021/22	2022/23	2023/24		2025/26	2026/27	2027/28
Revenue enhancement	Optimize operational efficiency	% of preventative maintenance implemented	New	New	New	New	80%	80%	80%

Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
% of preventative maintenance implemented	80%	80%	80%	80%	80%

Programme 4: Finance

Purpose: To enhance financial accountability and compliance with prescribed financial regulations and guidelines

Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance 2024/2025	MTEF Period		
			2021/22	2022/23	2023/24		2025/26	2026/27	2027/28
Revenue enhancement	Levels of own revenue generated	Own revenue generated from OR Tambo SEZ properties	New	New	New	New	R72m	R79m	R86m

Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
Own revenue generated from OR Tambo SEZ properties	R72m	R16m	R34m	R53m	R72m

Explanation of planned performance over the MTEF period

In support of the legislated functions as well as areas identified for alignment from the GGT 2030, the GIDZ has defined the following key delivery areas for the MTEF:

Strategic Infrastructure

This delivery area, which is aligned to both the NDP 2030 and the GGT2030, aims to contribute to the development of strategic economic infrastructure that will enhance the competitiveness of the Gauteng City Region. The delivery area is also critical for the success of any SEZ. Within the context of the OR Tambo SEZ, it is critical that infrastructure development is effectively managed to, in the first instance, ensure that any operational bottlenecks that may be experienced by existing tenants are effectively managed and in the second instance, ensure that the accelerated delivery of OR Tambo SEZ Precinct 2 and the Springs Precinct is realised. Specific to the latter, the issue of bulk infrastructure and its timely readiness become key to the success of the SEZ programme. As no funding has been confirmed for the Springs Precinct bulk development project as yet, the GIDZ has strategically decided to relegate the Springs Precinct targets to the Operational Plan level. In addition to the above, the construction mentorship programme will continue to be a key feature, towards ensuring skilled youth within the construction industry and therefore contributing to the outcome of skills developed for innovation and entrepreneurship.

Investor Attraction and Job Creation

This delivery area underpins the establishment mandate of any SEZ entity, which must, inter alia, enhance domestic and regional demand as well as increase foreign direct investment and export promotion. In this regard, an SEZ entity such as the GIDZ is required to attract, facilitate, and conclude investment understandings with private sector partners that set up manufacturing operations at the SEZ. This area is closely aligned to the delivery of strategic infrastructure, particularly the central element of bulk infrastructure, which is key to unlocking and crowding-in private or third-party interest in the development of the SEZ. A direct outcome of the investor attraction and strategic infrastructure process, this key delivery area aligns to both the NDP 2030 and GGT2030. In support of this important outcome, the GIDZ has defined targets for achievement in its performance. However, the GIDZ recognises the significant challenges presented by budgetary constraints, particularly in relation to the infrastructure development projects for Precinct 2 (top structure) and the Springs Precinct. These projects are crucial to achieving investment targets, so the success of investment-related goals will depend on the progress and outcomes of the afore-mentioned projects.

Enterprise Development

Beyond job creation is the critical element of enterprise development. Also aligned to NDP 2030 as well as the GGT2030's "Economy, Jobs and Infrastructure" priority area, this area has been defined in this APP and performance targets to ensure that the development and empowerment of MSMEs is realised as part of the SEZ's development.

Operations – Assets, Facilities Management and Revenue Enhancement

With the OR Tambo SEZ Precinct 1 now fully operational as of the fourth quarter of the 2024/25 financial year, following the completion of PGM cluster tenant fit-out, the focus has shifted from construction deliverables to driving operational success. At this stage, achieving financial sustainability is paramount. The strategy revolves around diversifying revenue streams, optimizing costs, and ensuring operational efficiency. The Operations, Investor Attraction, and Finance programmes will collaborate closely to monitor the precinct's financial health, implement targeted interventions, and continuously refine strategies to maximize cost-efficiency while safeguarding the integrity and growth of the investment portfolio. By prioritizing these areas, the precinct will remain financially robust and poised for long-term success.

12. Programme Resource Considerations

Budget Allocation for programme and sub-programmes.

	GIDZ							
Programme	Audited Outcome			Main appropriation (Sept 2024)	Adjusted appropriation (Feb 2025)	Medium-term estimates		
	2021/22 R'000	2022/23 R'000	2023/24	2024/25 R'000		2025/26 R'000	2026/27 R'000	2027/28 R'000
Programme 1: Phase 1 Infrastructure development (land lease MTEF funded)	6 066	6 552	7 076	7 642	7 642	8 253	8 913	8 913
Programme 2: Skills Development	-	-	-	-	-	-	-	
Programme 3: Investor Attraction	3 150	3 283	3 429	3 583	3 583	3 762	3 762	3 762
Programme 4: Expansion of the IDZ Programme	38 500	30 221	544	569	569	597	627	627
Finance	432	540	581	657	657	688	720	753
	48 148	40 596	11 630	12 451	12 451	13 300	14 022	14 055

	Economic classification							
	Audited Outcome			Main appropriation (Sept 2024)	Adjusted appropriation (Feb 2025)	Medium-term estimates		
	2021/22 R'000	2022/23 R'000	2023/24 R'000	2024/2025 R'000		2025/26 R'000	2026/27 R'000	2027/28 R'000
Current payments	72 239	60 710	110 129	143 817	143 817	228 934	28 954	30 016
Compensation of employees	22 742	18 995	21 125	18 238	18 238	18 063	17 814	17 389
Goods and services	43 431	35 163	81 928	117 937	117 937	202 618	2 227	3 001
Interest and rent of land	6 066	6 552	7 076	7 642	7 642	8 253	8 913	9 626
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-
Total economic classification:	72 239	60 710	110 129	143 817	143 817	228 934	28 954	30 016

13. Key Risks

Outcomes	No	Key Risks	Risk Mitigation
Levels of economic activity in localities in which infrastructure was delivered	1	Inability to timeously and efficiently deliver economic infrastructure (Precinct 2)	<ul style="list-style-type: none"> • The contractor for bulk infrastructure development was appointed in the previous financial year and contracting was finalised in quarter 4. • Weekly project management meetings to be attended by the Contractor, PRT, and GIDZ. • Monthly progress reports to be submitted by the PRT. • Documents will be reviewed by GIDZ and thereafter finalised for signature.
Enhanced skills development to support inclusive economic growth	2	Internship programme outcomes not achieved	<ul style="list-style-type: none"> • As part of the contracting process, the contractor is required to ensure the development of interns. • Engagement with UJ on construction mentorship programme by the end of the first quarter. • Ensure continuous engagement with interns to ensure they find the programme valuable. • Contractor requested to submit a structured workplace training programme • Internal Training Report for interns participating in GIDZ operations.
Attractiveness of Gauteng as preferred investment destination economy	3	Failure to secure targeted investment into the SEZ	<ul style="list-style-type: none"> • Promotion of other benefits of being located in the SEZ • Continue engaging Treasury and dtic on tax incentives as well as improvements required to the SEZ programme regime and ensure ongoing stakeholder engagements.
Structurally transformed economy	4	Inability to develop MSMEs in the SEZ	<ul style="list-style-type: none"> • Monitor the Implementation of the Enterprise Development Strategy • Stakeholder engagements and networking

14. Public Entities

Not applicable to the GIDZ, as it is a public entity, schedule 3C PFMA listing, as a subsidiary of GGDA.

15. Infrastructure Projects

No	Project name	Programme	Project description	Outputs	Project start date	Project completion date	Total Estimated cost/allocated budget	Expenditure
1.	OR Tambo SEZ Precinct 2 - Bulk Infrastructure Development	Programme 1: Infrastructure Development	Bulk infrastructure development	Precinct 2 Bulk Infrastructure development	24 February 2025	31 July 2027	a) Total Allocated Budget for 2025/26: R200 million b) Total Estimated Cost for 2025/26: PRT - R 4 million Contractor - R 189 million c) Total Estimated Cost for the Entire Project: PRT – R6 million Contractor - R430 million (estimated total project cost)	N/A
2.	Springs Precinct Bulk Infrastructure Development	Programme 1: Infrastructure Development	Bulk infrastructure development	Springs Precinct Bulk Infrastructure Development	TBC	TBC	R0 (2025/26) R160 million (estimated total project cost)	N/A
3.	OR Tambo SEZ Precinct 2 Infrastructure Development	Programme 1: Infrastructure Development	OR Tambo SEZ Precinct 2 Infrastructure Development (Top structure)	OR Tambo SEZ Precinct 2 Infrastructure Development	TBC	Dependant on tenant uptake	R0 (2025/26) R3.9 billion (estimated total project cost)	N/A
4.	Springs Precinct infrastructure Development	Programme 1: Infrastructure Development	Springs Precinct Infrastructure Development (Top structure)	Springs Precinct infrastructure Development	TBC	Dependant on tenant uptake	R0 (2025/26) R477 million (estimated total project cost)	N/A
5.	Springs Precinct Infrastructure Development	Programme 1: Infrastructure Development	Springs Precinct Infrastructure Development (Fencing)	Springs Precinct Infrastructure Development	TBC	TBC	R 0 (2025/26) R5,2 million (estimated total project cost)	N/A

16. Public Private Partnerships

Not applicable to GIDZ as the GIDZ does not have any Public-Private Partnerships at the point of finalising this Annual Performance Plan.

Part E: TECHNICAL INDICATOR DESCRIPTIONS (TIDs)

Programme 1: Infrastructure Development

Indicator title	% of OR Tambo SEZ Precinct 2 bulk infrastructure development completed
Definition	<p>This indicator measures the progress achieved in the construction process (Bulk Infrastructure Development for OR Tambo SEZ Precinct 2). During the 2025/26 financial year, the following milestones will be tracked to gauge the progress:</p> <p>Q1: Achieve 15% completion through setting out and site clearance and commencement of bulk earthworks and Road works.</p> <p>Q2: Reach 25% completion by completion of bulk earthworks, continuation of roadworks, commencement of excavations for sewers and stormwater drainage and laying of services.</p> <p>Q3: 45% completion by completing sewer line and sewage sump, continuation of roadworks and continuation of laying of services.</p> <p>Q4: Achieve 50% completion by completion of roadworks, stormwater and drainage, construction of attenuation pond and commencement of water reticulation.</p> <p>The system used to calculate percentages is CCS Candy.</p>
Source of data	Progress Report (Bulk Infrastructure Development)
Method of calculation / assessment	Percentage of the construction activities completed against the planned activities for the bulk infrastructure project
Means of verification	Appointment Letter, Progress Report, Project Plan and Progress pictures (where applicable)
Assumptions	<ul style="list-style-type: none"> Contractor Performance, No Community Protests, Timely Plan Approvals; No delays by stakeholders. That the construction industry will operate normally (without disruptions) for the financial year under review. That the project will be funded accordingly. No inclement weather
Disaggregation of beneficiaries [where applicable]	N/A
Spatial transformation [where applicable]	Eastern corridor
Calculation Type	Cumulative (year-to-date)
Reporting cycle	Quarterly
Desired performance	50% bulk infrastructure development completed.
Indicator Responsibility	Senior Programme Manager: Infrastructure Development (GIDZ)

Programme 1: Infrastructure Development

Indicator title	Number of interns participating in the OR Tambo SEZ mentorship programme
Definition	This indicator measures interns mentored during the operations and construction of the various SEZ precincts to advance in their careers. Implementation of this target is guided by the GGDA Internship programme guidelines which elaborates on (amongst many, qualifications of interns, duration and timing, the learning plan, roles and responsibilities, and exiting of the internship programme).
Source of data	Progress reports, enrolment contract
Method of calculation / assessment	Each intern is counted against the total target for the financial year under review.
Means of verification	Enrolment Contract/Host letter, and Progress Reports.
Assumptions	<ul style="list-style-type: none"> No Learner absconds or drops-out of the training and mentorship programme Contractor ability to take in interns
Disaggregation of beneficiaries [where applicable]	Youth, Women, and people with disability
Spatial transformation [where applicable]	Eastern corridor
Calculation Type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	10 interns participating in the OR Tambo SEZ operations and construction mentorship programme
Indicator Responsibility	Senior Programme Manager: Infrastructure Development /Property Manager/Chief Investment Facilitator/Chief Financial Officer

Programme 2: Investor Attractions

Indicator title	Number of MSMEs who benefitted from OR Tambo SEZ programmes
Definition	<ul style="list-style-type: none"> This output indicator measures the number of MSMEs who benefitted from the and through the infrastructure development of the SEZ and the Operations of the OR Tambo SEZ <p>The following benefits are provided to MSMEs under this project:</p> <ol style="list-style-type: none"> Business development support (non-financial) Facilitating collaboration between MSMEs and funding institutions, and Access to market. <ul style="list-style-type: none"> In addition to these MSMEs, the GIDZ will, through the implementation of its Enterprise Development strategy, forge partnerships with other MSME development/supporting entities who provide opportunities including training, business advisory and marketing (expo and exhibition), etc., to identified MSMEs in various industries as targeted by the GIDZ. Therefore, the empowerment of MSMEs through the implementation of the Enterprise Development Strategy is the basis for the achievement of this indicator.
Source of data	Reports on MSME with access to empowerment opportunities created in the various areas of SEZ Operations and Infrastructure Development.
Method of calculation / assessment	Simple count of the number of MSMEs benefitting from the OR Tambo SEZ
Means of verification	MSME data base and invoices/ proof of payment/ MSME expenditure report/ attendance register/business diagnostic report
Assumptions	Availability of Enterprise Development opportunities and adequate resources (financial and human) in the SEZ Operations and Infrastructure Development.
Disaggregation of beneficiaries [where applicable]	Youth and women
Spatial transformation [where applicable]	Eastern corridor
Calculation Type	Cumulative (year-to-date)
Reporting cycle	Quarterly
Desired performance	60 MSMEs who benefitted from OR Tambo SEZ.
Indicator Responsibility	Senior Enterprise Development Manager/Senior Programme Manager: Infrastructure Development (GIDZ)/ Property Manager

Programme 2: Investor Attraction

Indicator title	Rand value of investment committed to the OR Tambo SEZ
Definition	This output indicator measures Domestic and Foreign Investment committed for location at OR Tambo SEZ.
Source of data	Preliminary letters of intent, completed investor forms and signed agreement
Method of calculation / assessment	Total rand value of investment committed annually.
Means of verification	Investment commitment Letters from investors and / or signed agreements
Assumptions	Investor promises of investment value – this is not always realised and GIDZ does not have control over actual investment
Disaggregation of beneficiaries [where applicable]	Youth, Women, and People with Disability
Spatial transformation [where applicable]	Eastern corridor
Calculation Type	Non-cumulative
Reporting cycle	Annual
Desired performance	R2bn of domestic and foreign Investment committed for OR Tambo SEZ
Indicator Responsibility	Chief Investment Facilitator (GIDZ)

Programme 2: Investor Attraction

Indicator title	Number of investors secured for Precinct 2
Definition	This output indicator measures the number of in-principle investors secured for OR Tambo SEZ Precinct 2
Source of data	Signed Agreements or Offer to Leases
Method of calculation / assessment	Simple count of the number of investors secured.
Means of verification	Signed agreements or signed offer to leases
Assumptions	Investor commitment for OR Tambo Precinct 2 is secured
Disaggregation of beneficiaries [where applicable]	N/A
Spatial transformation [where applicable]	Eastern corridor
Calculation Type	Non-cumulative
Reporting cycle	Annual
Desired performance	2 investors secured for Precinct 2
Indicator Responsibility	Chief Investment Facilitator (GIDZ)

Programme 2: Investor Attraction

Indicator title	% Average occupancy rate per annum for Precinct 1
Definition	This output indicator measures the occupancy rate at OR Tambo SEZ Precinct 1
Source of data	Signed Lease Agreements
Method of calculation / assessment	Total occupied area/total lettable area X100
Means of verification	Signed Lease Agreements and MDA Report
Assumptions	Operationalisation of the leases concluded for OR Tambo SEZ Precinct 1
Disaggregation of beneficiaries [where applicable]	N/A
Spatial transformation [where applicable]	Eastern corridor
Calculation Type	Non- cumulative
Reporting cycle	Annual
Desired performance	90% average occupancy at OR Tambo Precinct 1
Indicator Responsibility	Chief Investment Facilitator (GIDZ)

Programme 3: Operations – Assets and Facilities Management

Indicator title	% of preventive maintenance implemented
Definition	This output indicator measures the number preventative maintenance over reactive maintenance at OR Tambo SEZ.
Source of data	Excel sheet calculation with percentage determination
Method of calculation / assessment	Total preventative maintenance implemented / total planned preventative maintenance for the year x 100
Means of verification	Quarterly and Annual maintenance schedule and work-orders or work instructions (GIDZ orders or Broll Work instructions)
Assumptions	<ul style="list-style-type: none"> • Sufficient budget for maintenance • Availability of service providers to implement maintenance.
Disaggregation of beneficiaries [where applicable]	Not applicable
Spatial transformation [where applicable]	Eastern corridor
Calculation Type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	80% preventative maintenance achieved
Indicator Responsibility	Executive: Strategic Operations and Property Manager

Programme 4: Finance

Indicator title	Own revenue generated from OR Tambo SEZ properties
Definition	Total value (Rands) of revenue generated from all GIDZ properties.
Source of data	Income projection report prepared by Property Administration and Finance supported by signed Lease agreements, recording all income generated on all GIDZ land and properties.
Method of calculation / assessment	Add total value of all income accrued from tenants, excluding VAT and metered charges and reimbursements. The income accrued includes rental, service contribution charges (operating costs), parking, venue hire and utility recovery charges on all land and properties owned by GIDZ.
Means of verification	Property administration spreadsheets, lease agreements and general ledger.
Assumptions	<ul style="list-style-type: none"> • OR Tambo SEZ Precinct 1 investment portfolio retained • All revenue generated is invoiced accurately and timeously.
Disaggregation of beneficiaries [where applicable]	Not applicable
Spatial transformation [where applicable]	Eastern corridor
Calculation Type	Cumulative (year-to-date)
Reporting cycle	Quarterly
Desired performance	R72 million
Indicator Responsibility	Chief Financial Officer

Annexure A: Amendments to the Strategic Plan

Not applicable.

Annexure B: Conditional Grants

Not applicable to GIDZ because the entity does not provide any grants. The entity's grants received from both province (MTEF) and the DTI's SEZ fund, are all classified as conditional grants.

Annexure C: Consolidated Indicators

Not applicable to GIDZ.