

TSHWANE AUTOMOTIVE SPECIAL ECONOMIC ZONE



PROJECT OWNER

PROJECT VALUE

TEDA

R6,7 billion

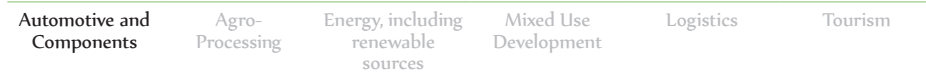


PROJECT DESCRIPTION

The proposed development will strive to create an environment that facilitates the expansion and transformation of the automotive industry while also inviting global investment. The SEZ includes far more than simply increasing the output of vehicles by automotive firms in Tshwane. The automotive SEZ offers a diversity of appropriate land uses and other economic activities that spans more than 224 hectares and includes four potential development phases:

- Phases 1 and 2 on 81,6 hectares of City-owned land for the development of a supplier park. TEDA has submitted a township establishment application.
- Phase 3 on 81 hectares of City-owned land for the development of mixed-use industrial, retail and residential space.
- Phase 4 on 42 hectares for mixed-use development. It is situated on a privately owned land portion. Consultation is underway with the City of Tshwane to consider land swap alternatives when it is certain that the socio-economic objectives of Phases 1 to 3 are met before this phase will be activated.

The Department of Trade and Industry formally provided commitment for the ORTIA/GIDZ licence to be used as a mechanism to accelerate the Silverton/Waltloo SEZ development.



LOCATION

This site is located close to the Ford Motor Company of Southern Africa and other automotive industry firms, which translates to immense development potential and makes it ideal for the proposed project. The Silverton/Waltloo area is also ideal, considering that it is surrounded by residential neighbourhoods such as Eesterust, Mamelodi, Nellmapius, Faerie Glen and Lynnwood. This presents an advantage for both the development and the surrounding neighbourhoods, because the employment and manufacturing opportunities provided by the development will be easily filled by the surrounding communities.

IMPACT

- The total production impact of the Tshwane SEZ will be R6,7 billion. This consists of a total direct impact of R2,887 billion, an indirect impact of R2,231 billion, and an induced impact of R1,584 billion.
- In terms of GDP, the expected total impact is R2,3 billion, with a direct impact of R983 million, an indirect impact of R717 million, and an induced impact of R644 million.
- The employment impact shows that this Tshwane SEZ is high employment multiplier, with a non-direct impact higher than direct impact. The direct impact of 6 818 jobs will lead to a non-direct impact of 18 394 jobs.
- The expected impact on income adds up to R2,373 billion. This is made up of R1,2 billion of direct impact, R608 million of indirect impact, and R538 million of induced impact.

Opportunities

Short-term opportunities:

- The Tshwane SEZ will create opportunities for new suppliers, SMMEs, component manufacturers and black industrialists.

Medium to long-term opportunities:

- This development will have a positive impact on the procurement of local material. It will increase housing development in the area and also increase the skills linked to new technology that will be required by the investors.

PROJECT OWNERSHIP

Tshwane Economic Development Agency

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