



GAUTENG DEPARTMENT OF ECONOMIC DEVELOPMENT

# HIGH IMPACT PROJECT BOOK



GAUTENG PROVINCE  
ECONOMIC DEVELOPMENT  
REPUBLIC OF SOUTH AFRICA



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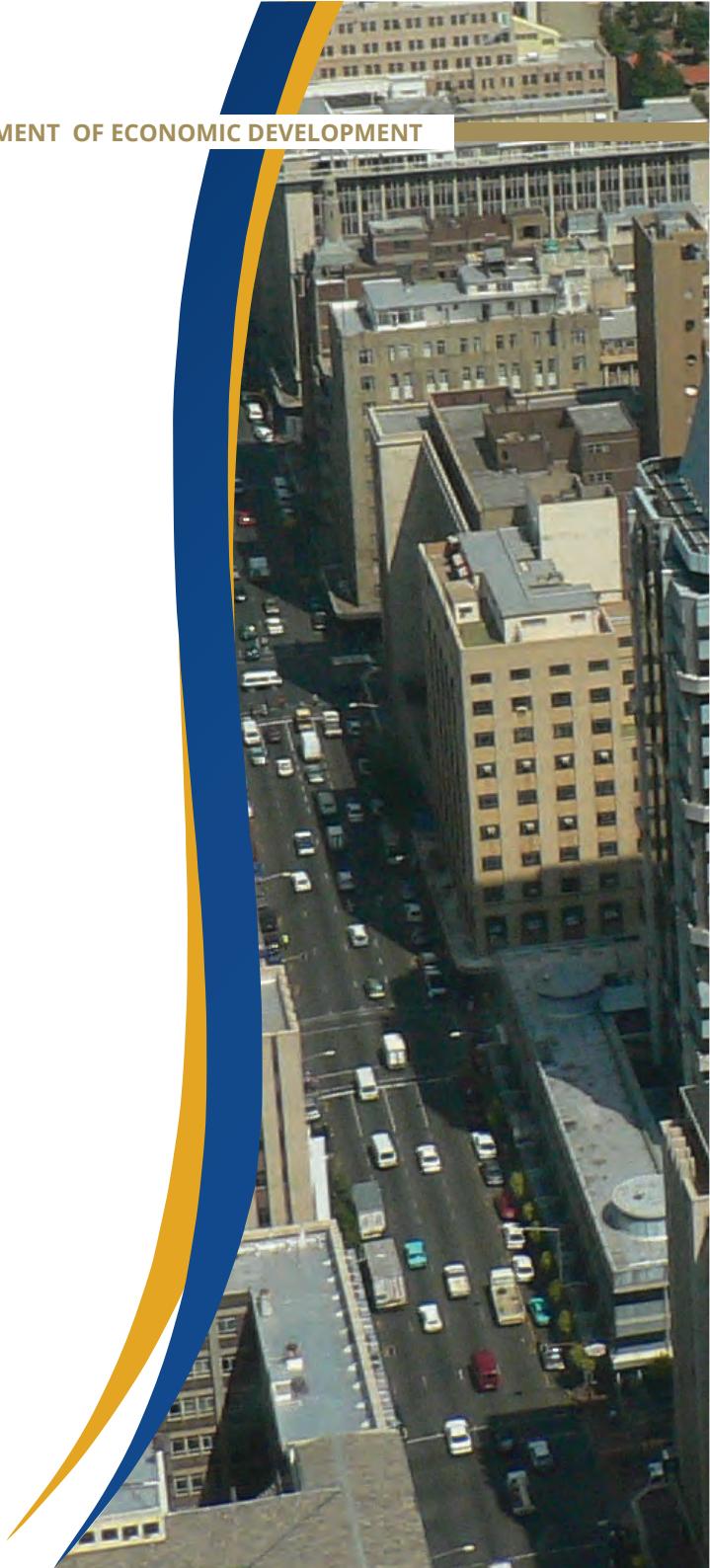
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# FOREWORD

The Gauteng Province is the economic hub of the country and is well-positioned to lead the way in transformation, economic recovery and industrialisation. Despite its economic strength and the strong performance of tertiary services, the province is facing challenges in economic recovery, particularly in the manufacturing industry. It is important to focus on putting the economy on a path towards recovery to address the issues of poverty, unemployment, and economic inequalities in the province.

The Gauteng Provincial Government has embraced the Growing Gauteng Together Programme, referred to as the GGT 2030, as a plan of action aiming to achieve transformation, economic recovery, industrialisation and the development of the township economy. To reach this goal, GGT2030 specifies 10 high-growth sectors that are catalysts to fulfilling the vision outlined in the province's plan.

To effectively work towards the vision for 2030, the Gauteng Department of Economic Development, which is responsible for supporting and facilitating economic growth and development in the province, has created sector plans that are aligned with the objectives of GGT2030. These sector plans aim to provide insights into the performance, challenges, and opportunities within the various sectors. They serve as a guiding tool for the department to advance the development of specific sectors and achieve small, medium, and micro enterprise (SMME) development, transformation and industrialisation.

To achieve the mentioned objectives and ensure that the sector plans foster inclusivity and economic development, a collaborative effort between the department and key stakeholders is necessary. This includes other government departments, the private sector, non-profit organisations, and tertiary and research institutions. This collaboration will ensure the growth and development of Gauteng. To conclude, I would like to express my gratitude to all the stakeholders who have played a crucial role in supporting the province's aspirations. I invite all stakeholders to collaborate with the department to accomplish economic development and transformation in the province.



*Gauteng MEC for Finance & Economic Development*

**MR. LEBOGANG MAILE**

# INTRODUCTION

Gauteng province plays a pivotal role in South Africa's economy, contributing over 34% to the national GDP. However, it grapples with critical challenges, such as youth unemployment, which is alarmingly high at 64.4% among individuals aged 15 to 24, and sluggish growth in small, medium, and micro enterprises (SMMEs). The Gauteng Department of Economic Development (GDED) recognizes the urgency of these issues and is dedicated to driving impactful change by aligning its initiatives with the government's strategic priorities: fostering economic growth, generating employment, and enhancing infrastructure.

Within the GDED, the Sector and Industry Development Chief Directorate is tasked with an essential mission: to identify sectors with high growth potential and devise robust strategies that boost competitiveness and productivity. This mission can be realized through multiple avenues, including the promotion and facilitation of targeted investments. By implementing strategic initiatives to attract capital and cultivating fruitful partnerships between investors and local businesses, we can unlock unprecedented opportunities for growth and innovation in Gauteng.

This project book aims to present an overview of the work accomplished to date, offering insights into various sectors and the impacts of collaborative efforts with small businesses and private sector partners within the department. We invite you to explore the successes achieved thus far in partnership with local enterprises.



# RESOURCE BASED INDUSTRIES

## OVERVIEW

The resource-based industries concentrate on sectors that are nature-based and are governed by a Mandate necessitating the support and coordination of competitiveness support programs, alongside enhancing efficiency within the value-addition capacity of natural resource sectors. In addition to the nature-based sectors, the unit also emphasizes other sectors such as Construction, Creative and Cultural Industries, and Furniture Manufacturing.

With the aim of creating an enabling environment for the economy to grow while including the previously disadvantaged, Township, Informal Settlements, and Hostel (TISH) based businesses, various challenges have been noted that have limited growth in these sectors. However, GDED has been implementing sector-based programs to address the challenges identified.

## KEY TRENDS AND CHALLENGES:

SMMEs in these sectors face challenges such as access to finance, infrastructure, and market access. The COVID-19 pandemic has significantly impacted these sectors, leading to GVA contraction, job losses, and operational disruptions.

Other challenges include competition from imports, high production costs, skills shortages, outdated manufacturing technology, weak market linkages and distribution, and regulatory and policy issues.

The construction sector also faces challenges such as shrinking profit margins, poor productivity, rising input costs, and vulnerability to economic downturns, industrial unrest, and power outages.

There is a growing demand for South African creative industries' products and services in international markets. The construction industry is expected to grow in the coming years.

Digital migration and the emergence of new distribution channels offer opportunities for the creative sector.

# STRATEGIC IMPORTANCE TO ECONOMIC GROWTH

JOB

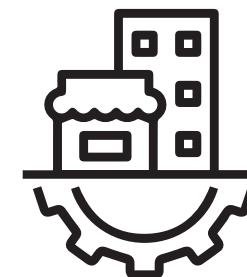


## JOB CREATION

These sectors are significant contributors to employment. For instance, the creative sector in South Africa employed around 2.2 million people in the third quarter of 2023. The furniture industry contributes approximately 1.6% to overall employment in South Africa's manufacturing sector.



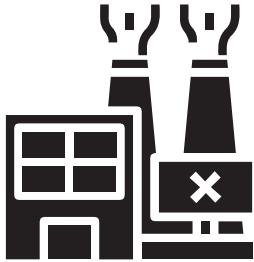
## ECONOMIC CONTRIBUTION



## SMME DEVELOPMENT

The Cultural and Creative Industries (CCI) contributed R60 billion to Gauteng's GVA in 2020, representing 4.5% of the province's total GVA. Gauteng's construction sector also contributes significantly to the South African economy.

SMMEs are crucial for economic growth, innovation, and job creation in these sectors. Supporting SMMEs in these sectors is a key focus of the Gauteng Provincial Government.



The development of these sectors aligns with the GPG's goals to promote industrialization and attract investment.

## INDUSTRIALIZATION & INVESTMENT



## EXPORT POTENTIAL

There are opportunities to increase furniture exports and meet the growing demand for South African creative industries' products and services in international markets.



# FURNITURE PROGRAMME



## PROGRAMME DESCRIPTION:

The furniture industry in South Africa is a significant component of the manufacturing sector, known for its potential to drive job creation, support SMMEs, and contribute to local economic development. Gauteng, as the country's economic hub, plays a key role in the industry due to its access to infrastructure, markets, and skilled labour.

The sector contributes to GDP and is labour-intensive, offering employment opportunities, especially within township economies. It is supported by various policies such as the Industrial Policy Action Plan (IPAP) and the Furniture Sector Master Plan (FSMP). However, the industry faces challenges including limited market access for small manufacturers, skills shortages, stiff competition from imports, inadequate access to finance and infrastructure, and a lack of coordination among stakeholders.

GDED has been implementing the Furniture Manufacturing Programme with the objective to provide technical skills development training in furniture manufacturing (Upholstery Level 2, Wood Machining, and Cabinet Making Level 2) and to support SMMEs through incubation aimed at enhancing their productivity, quality, and competitiveness.

### **PROGRAMME IMPACT:**

#### **Skills Development**

SMME development such as capacity building; market facilitation; technology and innovation support; access to infrastructure and facilities.

### **IMPACT ON SOCIETY:**

356 candidates trained and 356/103 job placements.

25 Business established.

88% youth and 32% women trained.

99 SMMEs supported (31% women and 68% youth)

R 15 million turnover generated

405 jobs created

### **GEO-LOCATION OF THE PROGRAMME (SPATIAL REFERENCING):**

All corridors in Gauteng Province (however the facilities are located in City of Johannesburg: Florida; City of Tshwane: Rosslyn; Lesedi Municipality: Heidelberg)

# VH & BONO

FURNITURE MANUFACTURERS

A 100% black-owned company, and it was established in 2013 by Mr. Hendrick Rankhododo.

The company manufacture products such as coffee tables, bedroom suits, chair and couches. This company has been fortunate to secure procurement opportunities within the following retailers Geen and Richard's; Bindu la Vhatu; Simple Style; Furn Zone and Bed and Couch countrywide.



## KHWELULA ARTS

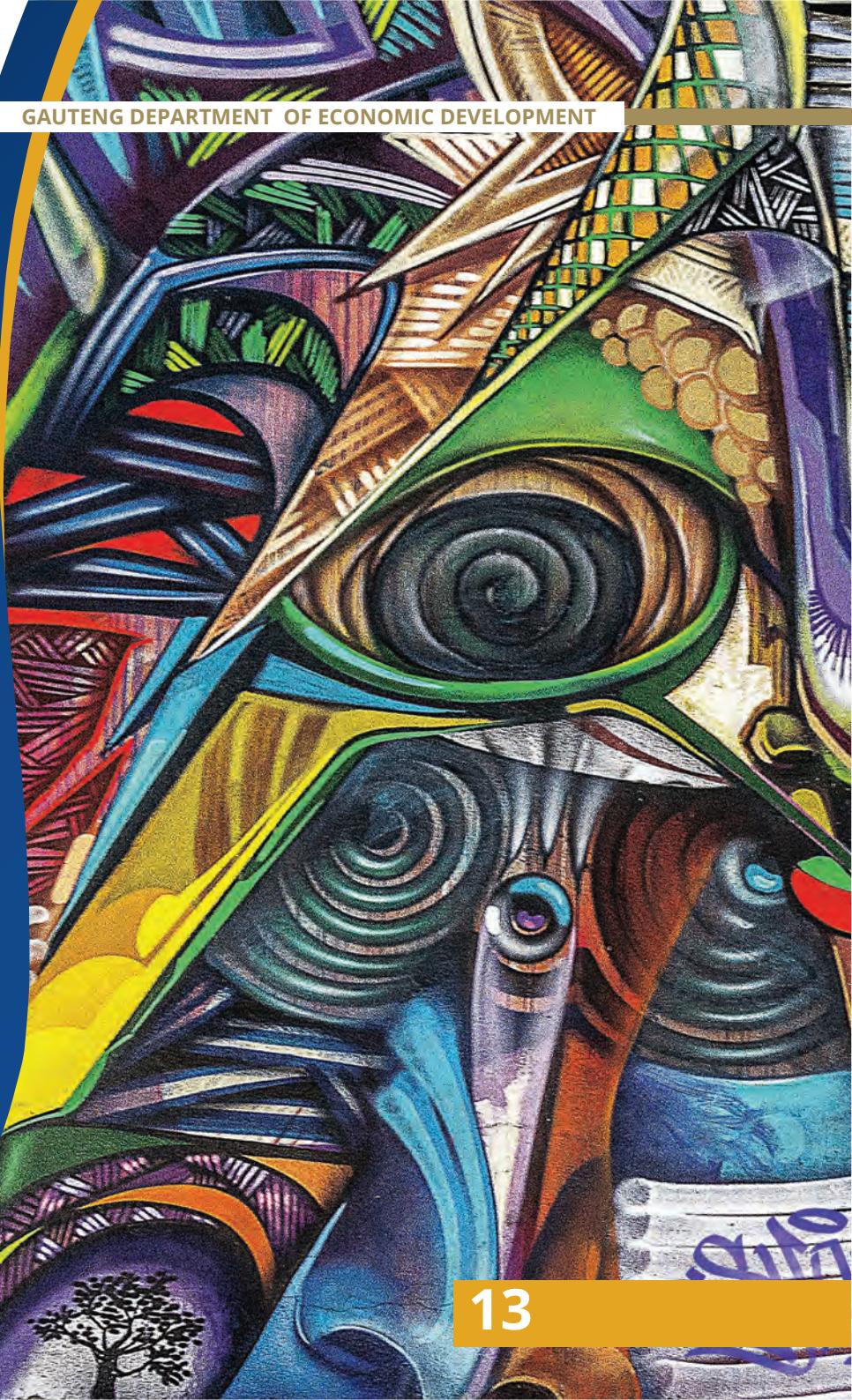
A 100% black-owned company established in 2019 by Sipho Twala.

The company manufacture wood furniture such as chairs; lounge set; coffee tables; cabinets; couches cabinets. In 2020 the company won the 2020 design indaba as emerging creative and was a finalist in the Nandos hot young designer. The company also received a procurement opportunity to design and manufacture furniture for Nandos in Zimbabwe.

## TISETSO & BALLSTROM FURNITURE MANUFACTURER

A 100% youth-owned business that have been supported through the programme had been fortunate to secure procurement opportunities of repairing and manufacturing Furniture at Netcare Hospitals.

# CREATIVE INDUSTRIES PROGRAMME



## PROGRAMME DESCRIPTION:

Cultural and Creative Industry (CCI) is consisting of the creation, production and commercialization of products which are intangible and cultural in nature and are protected by copyright and they can take the form of a good or a service.

### TARGETED IMPACT:

MSMEs development and support through the market access support, exhibitions, and access to finance initiatives.

Creative Industries priority programmes:

- Township Creative Hub
- Music industry
- Fashion and creative design
- Film & content production and destination
- Animation, gaming and visual arts/reality
- Performance and celebration
- Technical services (post-production facilities)

**IMPACT ON SOCIETY:**

- 202 MSMEs developed and supported
- 2,175 Gig jobs created
- Income generation
- Skills development

**GEO-LOCATION OF THE PROGRAMME (SPATIAL REFERENCING):**

All Gauteng Development Corridors



**KN STUDIOS**

A 100% black-owned company (51% Female- owned and 49% male) established Ntoni Refilwe and Kgosi Ntoni.

The company is in Pre-production phase of the 26 episode of the animation series titled "Calabashes". This is an educational early childhood development show that focuses on learning, teaching African values and will be played in English, including Zulu, Sotho, Afrikaans, French and Portuguese.



# CONSTRUCTION PROGRAMME

## PROGRAMME DESCRIPTION:

Construction Sector Programme aims to improve manufacturing capacity of the small business sector. This would ultimately enable MSMEs to participate into mainstream economy whilst increasing their contribution to the market share on local content production.

Therefore, the focus areas are in main construction material groups and their distribution networks and supply chains.

### TARGETED IMPACT:

The desired outcomes of this Programme would include increase manufacturing capacity, access to markets, revenue generation, job creation, economic growth, and industry competitiveness in various construction materials value-chains.

### INTERVENTIONS:

- Construction Incubation Hub
- Skills Development Programme
- Establishment of Construction Hubs in townships
- Small business empowerment

### IMPACT ON SOCIETY:

- 147 MSMEs developed and supported
- 121 jobs created
- R9.2 million income generation
- Skills development provision

### GEO-LOCATION OF THE PROGRAMME (SPATIAL REFERENCING):

- Munsieville Township, Mogale City Local Municipality
- Targeted all Gauteng Development Corridors



## HUB

Hub established in Munsivielie; Mogale city and launched in February 2022; the hub is ISO 9001: 2015 Quality Management System certified.



## +6 BUSINESSES

Six (6) 100% black-owned businesses, namely Style Africa Real Paving, 16 Etona, Yakhumzi, Aredireng Trading, Tshepo Realeboga, and Mkhaya Bricks, are being facilitated with SABS certification for brick manufacturers.

The SABS certification will assist these with ensuring quality, compliance, market access, competitive advantage, risk reduction, and sustainability.



# MINING PROGRAMME





## PROGRAMME DESCRIPTION:

The programme aims to empower ex-mine workers into establishing their own business and provide support to SMMEs within the engineering and mining value chain.

By providing support, guidance, and resources, the program enables these entrepreneurs to develop sustainable businesses that contribute to job creation and economic growth.

**PROGRAMME IMPACT:**

SMMEs development through training, market access facilitation and incubation facility.

**IMPACT ON SOCIETY:**

138 SMMEs supported. (32% youth and 28% female and 1% PWD)

R 22,1 Million turnover achieved

285 jobs created

Hub established in Khutsong; Merafong Local Municipality in February 2020

**GEO-LOCATION OF THE PROGRAMME (SPATIAL REFERENCING):**

West Rand District Municipality District (however the facilities are located in Khutsong; Merafong Local Municipality).

This was founded by Ms. Lydia Mosaditsala Mekgwe in 2018 and it is company is 100% Black women-owned.

The company has been fortunate to secure procurement opportunities within the mining houses in DRD Gold has managed to generate a total turnover of R 10 Million and creating 35 job opportunities within Khutsong area.

# NTSHOMPE

CONSTRUCTION & PROJECTS

It is a 100 % Black-owned company founded by Mr. Ntshompe Molote in 2011. The company is based in Khutsong and has been primarily operating in the supply and delivery of goods for various entities.

In 2020 the company ventured into the Mining sector focusing on the supply of mining consumables, steel fabrication and refurbishment of pipes. The company currently supplies consumables to Sibanye- Stillwater, this new business direction has proven lucrative for the company as it has reached a total turnover growth of R 2,38 Million and created 20 jobs.

# BENANE

TRADING & PROJECTS





# MANUFACTURING SECTOR

## OVERVIEW

The manufacturing sector involves the transformation of raw materials into finished goods or components used in other industries. It plays a pivotal role in driving economic development, serving as a cornerstone of industrialisation and a catalyst for growth.

This sector has the potential to make a substantial contribution to GDP, employment creation, and to boost productivity through innovation and technological advancement.

Currently, the manufacturing unit at the department focuses on several key industries that include but not limited to:

- Clothing, Textiles, Leather and Footwear (CTLF)
- Automotive Industry
- Aerospace and Defence (A&D)
- Chemical Industry

### CHALLENGES:

- Despite a large labour pool, there is often a mismatch between available skills and industry needs, particularly in advanced manufacturing.
- Over-reliance on imported raw materials, machinery and components weakens supply chain resilience and increases costs.
- Local manufacturers face intense competition from cheaper imported goods.
- SMMEs struggle with access to finance, markets, and technology which limits their growth .



## AEROSPACE AND DEFENCE (A&D)

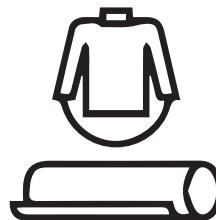
This highly specialised and advanced sector focuses on the design, development, and production of aircraft, spacecraft, and military systems. Encompassing both civil and defence applications, the A&D industry contributes significantly to technological innovation, national security, and high-value industrial growth. To support the development of the sector, Gauteng has implemented a skills development initiative linked to the needs of the aerospace and defence industry as tool to support the transformation of the industry.



## CHEMICAL INDUSTRY

The chemicals sector is diversified with production ranging from intermediate inputs for a variety of industry and finished consumer products. The chemicals sector has linkages to other industrial sectors such as agriculture, healthcare, the automotive industry, and clothing and textiles.

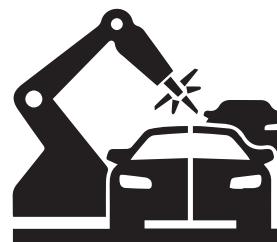
Although the industry exhibits significant diversity in downstream industries for chemical-based products, the import penetration within downstream part of the value chain - which includes products such as soaps, detergents, cosmetics etc - has steadily increased which suggests that the province is losing competitiveness. Gauteng aims to support the development of SMMEs to enhance skills and capabilities of enterprises to improve competitiveness within the industry for localisation purposes.



## CLOTHING, TEXTILES, LEATHER & FOOTWEAR

This is a vital segment of the manufacturing industry encompassing the production of fabrics, garments, and footwear.

Due to its labour-intensive nature and potential for large-scale job creation, especially in emerging economies, the CTLF industry has been identified by the province to play a significant role in economic development, job creation and social upliftment.



## AUTOMOTIVE INDUSTRY

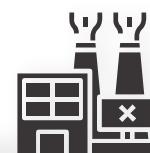
As a major component of global manufacturing, the automotive industry centres on the design, development, production, and assembly of motor vehicles and their components. In South Africa, the automotive industry plays a key role in contributing towards employment and manufacturing output. As one of the key drivers of South Africa's manufacturing sector, the automotive industry holds significant potential for inclusive economic growth. In township areas, however, this sector is mainly made up of informal mechanics operating outside the formal/mainstream economy. Recognising this, Gauteng aims to unlock economic opportunities by supporting the formalisation of informal mechanics to ensure enterprises form part of the mainstream automotive sector.

# STRATEGIC IMPORTANCE TO ECONOMIC GROWTH



The aerospace and defense industry generates approximately USD 2.3 billion in revenue, with exports accounting for around USD 185 million.

In 2023, the other chemicals sector, which is the downstream part of the chemicals value chain that includes products such as cosmetics, soaps and detergents, contributed 35 720 to employment and approximately R48 million to Gross Value Added (GVA).



INDUSTRIALIZATION  
& COMPETITIVENESS

Developing these sectors drives industrialization, enhances competitiveness, and promotes exports.



## ECONOMIC CONTRIBUTION

Sectors like aerospace and chemicals contribute substantially to the economy through revenue generation and value addition.



## SKILLS DEVELOPMENT

Investing in skills development within manufacturing enhances productivity, innovation, and the ability to compete in the global market.

# AEROSPACE PROGRAMME

## PROGRAMME DESCRIPTION:

The Aerospace Programme's primary purpose is to support the development and growth of the aerospace industry in Gauteng.

By focusing on this goal, the programme aims to provide essential assistance and resources to foster innovation, enhance competitiveness, and drive economic growth within the aerospace sector. Moreover, the programme focuses on SMME development and technical skills development.

### PROGRAMME IMPACT:

Skills Development Training  
SMMEs development such as capacity building; market facilitation; technology and innovation support; access to infrastructure and facilities.

### IMPACT ON SOCIETY:

208 youth trained;  
196 were placed in jobs

### GEO-LOCATION OF THE PROGRAMME (SPATIAL REFERENCING):

City of Tshwane, Centurion



## CONTRIBUTION TO INDUSTRY

The implementation of the Aerospace Programme has contributed to the transformation of industry as 95% of the candidates that received training were black and 33% black owned SMMEs were supported to participate in the industry.



# CHEMICALS SUPPORT PROGRAMME

## PROGRAMME DESCRIPTION:

The purpose of the programme was to provide support to SMMEs that manufacture downstream chemical products such as soaps, detergents and cosmetics.

The aim of the programme was to develop skills and capabilities of SMMEs to enhance their competitiveness and ensure their sustainability in order to contribute to economic growth, job creation, and transformation within the industry.



### **PROGRAMME IMPACT:**

SMMEs development such as capacity building; market facilitation; technology and innovation support; access to infrastructure and facilities.

### **IMPACT ON SOCIETY:**

770 SMMEs supported (64% women and 46% youth)  
R 73, 9 Million turnover achieved  
405 jobs created

### **GEO-LOCATION OF THE PROGRAMME (SPATIAL REFERENCING):**

All corridors in Gauteng Province.



## FEMADE PRODUCTS

A 100 % black-owned company founded by Mrs. Mpho Hafani. The company is based in Centurion and has been primarily operating in the manufacturing cosmetics, beauty and personal care products. The company currently supplies consumables to Picknpay, Takealot SA and Private Pharmacies.



## DERMAcell pure perfection

A 100 % black-owned company founded by Ms. Mapitsi Talana. The company is based in Pretoria and has been primarily operating in the manufacturing and distributing an extensive range of skin therapy and body care products.

The company currently supplies consumables to Clicks and Takealot



## LAJOYA HOLDINGS TRADING AS 'TOSH DETERGENTS'

A 100 % black-owned company founded by Ms. Lufuno Rasoesoe in 2021. The company is based in Mamelodi and has been primarily operating in the manufacturing of Detergents. The company currently supplies consumables to Checkers, Shoprite, Spar and Makro Marketplace.





**ZOAK GROUP**



**GLOBAL INSYNC  
MANUFACTURERS**

A black women-owned SMME that is owned by Memory Leeuw. The company produces products such as dishwashing liquid, bleach, pine gel and hand surface cleaner. This company has supplied to Makro marketplace.

Owned by Xolile Khumalo and it is a black women-owned company.

The company that was supported by Gauteng Chemical and Pharmaceutical Incubation Programme manufacturers sanitizer, baby powder, oil, and petroleum jelly. The company has supplied to Dischem and is based in Johannesburg.

# TERTIARY SECTOR OVERVIEW

The Tertiary sector encompasses key service-based sectors that are instrumental in driving Gauteng's economic growth and social development. These include Transport and Logistics, Global Business Services (GBS), ICT & Digital Services, as well as Financial Services.

The Transport and Logistics sector plays a critical role in the movement of goods and people both locally and internationally. It contributes significantly to employment and GDP, covering various modes of transport such as road, rail, air, maritime, and pipelines. Gauteng serves as a major logistics hub, offering extensive road and rail networks, freight corridors, and logistics parks that facilitate efficient connectivity and trade.

The Global Business Services (GBS) sector involves the outsourcing of business processes — such as customer support, human resources, finance, accounting, marketing, and IT services — to external providers. This sector is rapidly expanding in South Africa, offering significant potential for youth employment and poverty reduction. Gauteng is prioritising the development of GBS in townships to address socio-economic challenges and drive inclusive growth.

The Information and Communication Technology (ICT) sector supports digital transformation across industries, enabling innovation, automation, and improved service delivery. It underpins sectors such as healthcare, education, finance, and manufacturing, and plays a pivotal role in advancing smart technologies and e-governance in Gauteng.

Digital Services are closely linked to ICT, encompassing areas such as software development, digital platforms, data analytics, cybersecurity, and cloud services. These services enable more efficient business operations and government service delivery, and are essential to the province's long-term competitiveness and digital economy aspirations.

The Financial Services sector remains a cornerstone of Gauteng's economy, offering banking, insurance, investment, and asset management services. It also plays a crucial role in facilitating access to capital, promoting entrepreneurship, and supporting infrastructure investment — including emerging areas like green finance and climate-focused funding instruments.

## KEY TRENDS AND CHALLENGES:

The transport sector faces challenges such as strain on the transportation supply chain, slowdowns in specific regions, and the effects of global monetary policy. E-commerce growth is likely to increase the demand for courier services and storage facilities.

The global GBS sector is experiencing substantial growth, driven by digitization and automation. There's also a trend toward growth in higher value-end GBS services and the development of vertical GBS, focusing on specialized services for specific industries.

Efficient transport underscores the importance of logistics in enabling local and international market access.

Despite the industry being the bedrock of the economy, challenges such as traffic congestion, pollution, and external factors like climate change and the Fourth Industrial Revolution pose significant hurdles for the industry to operate efficiently. Additionally, there are challenges related to skills development, standardization of pay grades, and competition from other BPO locations.

# STRATEGIC IMPORTANCE TO ECONOMIC GROWTH



TRADE SUPPORT



JOB CREATION

The sector is crucial for supporting trade and various industries. Government spending on infrastructure development is seen as an opportunity to improve supply chain effectiveness.

The South African government has recognized the economic potential of the GBS sector for job creation and poverty alleviation. Gauteng Province is strategically targeting growth in the GBS sector to address socio-economic challenges like high unemployment. The South African GBS sector is projected to create between 250,000 and 500,000 new jobs by 2030.

# TRANSPORT & LOGISTICS PROGRAMME

## PROGRAMME DESCRIPTION:

The Gauteng Department of Economic Development is leading the rollout of the Last Mile Delivery Programme, aimed at supporting and increasing the number of scooter drivers, particularly in townships, to participate in the last-mile delivery industry. This initiative focuses on skills development and the growth of Micro, Small, and Medium Enterprises (MSMEs), thereby fostering township-based businesses.

As part of the programme, the Department has provided training to unemployed youth in Gauteng's townships, with the goal of helping them start their own businesses and seize opportunities within the last-mile delivery sector. The programme includes accredited business management training through the New Venture Creation Skills programme, as well as K53 motorbike training to help youth obtain a motorbike license for delivery purposes.

Additionally, the programme assists beneficiaries with business compliance by facilitating the registration of their companies through the Companies and Intellectual Property Commission (CIPC), and helping them acquire Broad-Based Black Economic Empowerment (B-BBEE) certificates and tax clearance certificates.

### PROGRAMME IMPACT:

Skills development in Last-Mile delivery programmes

### IMPACT ON SOCIETY:

650 youth trained.

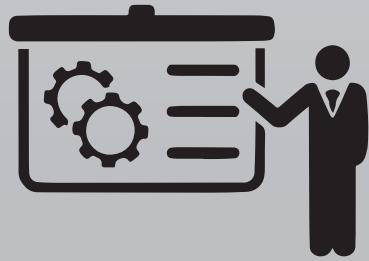
407 business established.

100% youth; 53% women

Market facilitation has been done through partnership with Take a lot; Uber Eats; Kasi Delivery

### GEO-LOCATION OF THE PROGRAMME (SPATIAL REFERENCING):

All corridors in Gauteng Province.

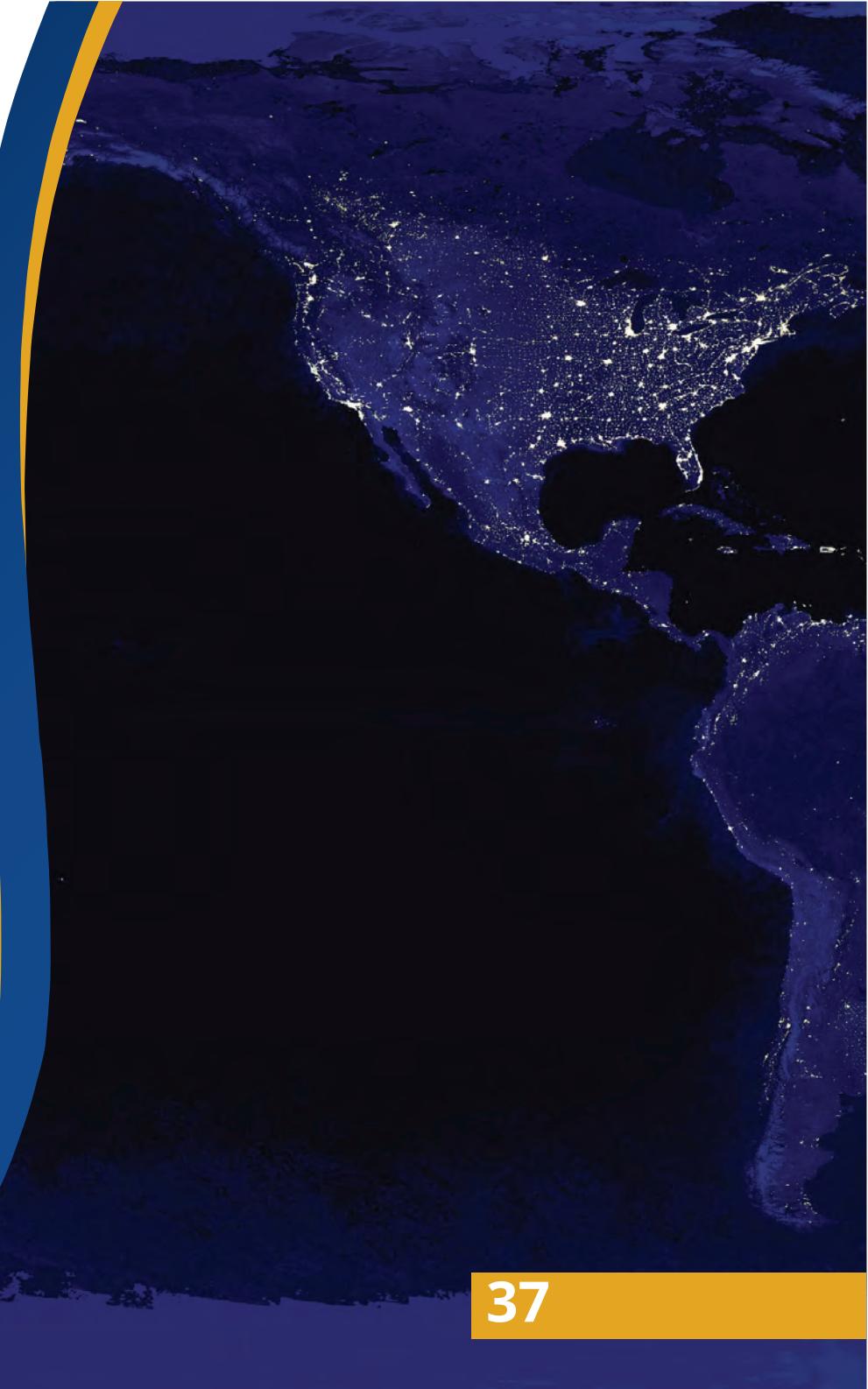


## MARKET FACILITATION

Market facilitation has been done through partnership with Take a lot; Uber Eats; Kasi Delivery.



# GLOBAL BUSINESS SERVICES PROGRAMME



## PROGRAMME DESCRIPTION:

The Gauteng Provincial Government (GPG) has developed strategic interventions that are geared towards positioning Gauteng as the investment destination of choice for GBS in Africa. One such intervention is the training of unemployed youth in Business Process Outsourcing (BPO) related skills to be equipped to serve the contact centre industry.

The industry has the potential to employ and upskill a significant number of youth who find themselves without employment. The main aim of the intervention is to obviate the skyrocketing unemployment by providing training opportunities which have the potential of creating new job opportunities for the unemployed youth.

Amongst other interventions that the Gauteng Department of Economic Development has initiated, is the partnership between GDED, the Gauteng Growth and Development Agency (GGDA) and Merchants. In this specific intervention, the GDED through GGDA partnered with Merchants to train 407 contact centre agents in Jabulani, Soweto. Therefore, this was a skills development and work integration intervention.

## **PROGRAMME IMPACT:**

Skills Development Training and Placement

## **IMPACT ON SOCIETY:**

407 beneficiaries were trained by March 2023, and of the 407 who were trained, 390 were placed into jobs at the Jabulani Contact Centre Hub in Soweto.

## **PROGRAMME BENEFICIARIES:**

90% youth, 50% female and 2% people living with disability.

## **GEO-LOCATION OF THE PROGRAMME (SPATIAL REFERENCING):**

Rolled out in Soweto.





# GREEN ECONOMY SECTOR OVERVIEW

The Gauteng Provincial Government (GPG) is committed to transitioning Gauteng into a hub of opportunities through economic growth, innovation, and sustainable industries by 2030. This vision is guided by the National Development Plan (NDP) and Gauteng's Transformation, Modernisation, and Reindustrialisation (TMR) program.

The Gauteng Green Strategic Program (GSP) coordinates the development of the green economy sector in the province. Key sectors for green economy growth include the built environment, energy, sustainable agriculture, transport, water and sanitation, and waste management.

## KEY TRENDS AND CHALLENGES:

There is a growing emphasis on transitioning to a low-carbon economy and adopting greener technologies.

Gauteng's energy supply is currently dominated by electricity (33%), followed by diesel (23%), petrol (21%), and coal (14%). The transport and industrial sectors are major consumers of liquid fuels, gas, and other sources, accounting for 34% and 28% of the demand, respectively. South Africa faces high unemployment rates, which the green economy aims to address.

The energy sector faces challenges such as aging infrastructure, frequent power outages, environmental impact from coal-fired plants, and energy affordability. Gauteng experiences water scarcity, impacting agricultural productivity.

Climate change poses significant challenges to agriculture in Gauteng, including unpredictable weather patterns and increased temperatures.

## STRATEGIC IMPORTANCE TO ECONOMIC **GROWTH**



### JOB CREATION

The green economy has the potential to generate a significant number of jobs across various sectors.



### ECONOMIC DEVELOPMENT

Transitioning to a green economy is seen as crucial for achieving inclusive and equitable growth, fostering sustainable development, and eradicating poverty.



### ATTRACTING INVESTMENTS

The green economy, with its focus on renewable energy and sustainable practices, can attract both public and private

# GREEN SKILLS PROGRAMME

## PROGRAMME DESCRIPTION:

The programme aims to equip candidates / SMMEs with technical skilling or upskilling in renewable energy.

### PROGRAMME IMPACT:

Skills development  
SMMEs development through training, coaching, and mentorship to support business growth.

### IMPACT ON SOCIETY:

182 candidates trained and 180/182 were placed jobs  
103 SMMEs trained  
24 SMMEs were assisted with installation of solar systems in their business operation to assist them mitigate the effects of load shedding; reduce their operational costs and the environmental impact

### GEO-LOCATION OF THE PROGRAMME (SPATIAL REFERENCING):

All corridors in Gauteng Province



## CONTRIBUTION TO INDUSTRY

The Green Economy sector contributes to Gauteng's industrial development by promoting sustainable growth, reducing emissions, and supporting job creation. It addresses key challenges such as energy insecurity and climate change while boosting innovation in areas like energy, agriculture, water, and waste. Key programmes driving this transition include the Resource Efficiency Programme, Microgrid Energy Programme, and Green Hydrogen Strategy, all focused on clean energy adoption, supporting SMMEs, and developing green infrastructure for a low-carbon future.



# RESOURCE EFFICIENCY PROGRAMME

The Gauteng Resource Efficiency Programme (REP) aims to promote greening within productive sectors in Gauteng, South Africa, to reduce carbon footprint by retrofitting with energy-efficient technologies and installing clean energy.

This is in response to severe national power shortages, high electricity costs, and the impact of load shedding on Gauteng's economy, particularly SMMEs. The programme, exacerbated by infrastructure damage from the 2021 looting, will provide SMMEs and businesses with green/clean energy and energy efficiency technologies to lower energy costs and mitigate power disruptions. It also supports economic recovery and the Department's energy-related targets.

By implementing energy audits and collaborating with partners, the REP anticipates outcomes including supporting SMMEs with energy solutions, creating green jobs, providing market access for clean energy SMMEs, and promoting a transition to renewable energy to reduce environmental impact.

# MICROGRID ENERGY PROGRAMME

This program focuses on conducting a pre-feasibility study to support microgrid partners in Gauteng. Energy-intensive sectors are heavily affected by power shortages and face green trade tariff risks.

The Microgrid Energy Programme, aligned with national policies and Gauteng's GGT2030 vision, aims to increase clean energy availability through microgrids in Special Economic Zones and partnerships, including involving township IPPs. By accelerating the integration of cleaner energy via smart microgrids, the initiative seeks to decentralize power, enhance energy security, and decarbonize the grid. A coalition of large power users, private companies, and stakeholders will support reliable, green industrial power.

Following an RFI, sixteen microgrid development submissions were shortlisted, and MoUs have been signed with several companies. The ongoing pre-feasibility study will determine the suitable energy mix and assess the technical, economic, social, and environmental viability of these projects, including the financial feasibility of renewable energy technologies.

# GREEN HYDROGEN STRATEGY

South Africa has a global competitive edge in GH2 production, vital for its shift to a low-carbon economy, with export, mobility decarbonization, and industrial supply chains as key commercialization paths. Domestic needs will drive half of the national GH2 production.

Gauteng, as the main energy-consuming region and transport hub with significant heavy industry, will see its economy greatly affected by decarbonization and GH2 commercialization, which will impact South Africa's overall low-carbon transition. Currently, the Gauteng Government lacks a clear GH2 policy or stance on its regional industrial impact, desired energy mix, or opportunities for black industrialism. South Africa has been an early investor in hydrogen economies, starting with the 2004 Hydrogen South Africa Strategy, which built on its renewable resources, platinum reserves, and trade ties.

Recent national policies like the 2021 Hydrogen Society Roadmap and the 2022 Green Hydrogen Commercialisation Strategy, along with industry reports, further explore GH2's potential in South Africa, including export and sustainable aviation fuel. South Africa's strong position in the global GH2 market is supported by its renewable energy, land, platinum, infrastructure, skills, and trade relationships with major importers. The Economic Reconstruction and Recovery Plan promotes GH2 to counter declining platinum demand, and the 2022 Just Energy Transition Strategy highlights GH2's central role in achieving net-zero and addressing industrial transition challenges.

# CLOSING STATEMENT

The challenges faced by citizens of Gauteng call for immediate action, and the Gauteng Department of Economic Development (GDED) recognizes the significant work ahead in various sectors. To foster meaningful change in our province, townships, and informal settlement areas, the department is embracing a bold new approach.

GDED invites partners from both the public and private sectors to join us in this vital mission, bringing their expertise and resources to uplift our economic landscape and empower the people of Gauteng. Together, we can create a brighter future for all.

