

## Case study

# INDUSTRIAL SPACE REVITALISATION

## A Case-Study on Area-Based Integrated and Transversal Planning for Key Economic Spaces

### EXECUTIVE SUMMARY

The CSP IPs support initiative was aimed at demonstrating the value of a public sector being more responsive and accountable for the performance of industrial parks, through a model of a metro-led, area-based integrated, participatory and transversal planning.

The IPs selected were Devland (City of Johannesburg), Babelegi (City of Tshwane), Wadeville (Ekurhuleni), and Jacobs (eThekweni). The industrial spaces were chosen for their strategic location, next to large and marginalised human settlements with existing economic activity that was under threat from job losses. Since 2019, these metro industrial park revitalisation (IPR) pilots have catalysed new ways of city and national engagement, resourcing and governance.



### THE PROBLEM

South Africa has many well-located industrial spaces (“industrial parks”)<sup>1</sup> that are failing to realise their full economic and social potential. Of the spaces found in metros, 57% are shedding jobs and firms, instead of creating or retaining jobs. Some of the worst performing industrial parks are owned or managed by public sector entities, which appear not to value the economic, social and financial contributions of these spaces.

#### FACTORS AFFECTING PERFORMANCE OF INDUSTRIAL SPACES



<sup>1</sup> These are designated areas of land that have been developed and zoned for industrial business activity.



Local government's planning, service provision, regulatory and urban management functions place it at the centre of industrial space revitalisation. Besides the metros, the Department of Trade, Industry and Competition (dtic) is the lead public sector economic actor for industrial space revitalisation.



## THE METRO INDUSTRIAL SPACE REVITALISATION PROGRAMME

Following requests from four metros, the industrial park revitalisation (IPR) pilots were initiated in December 2019, with the objective of building the capacity of cities:

- 1 To retain and expand investment by firms, through "getting the basics right".
- 2 To retain and expand employment opportunities in proximity to townships and informal settlements.
- 3 To put in place institutional urban management mechanisms to ensure the effective and ongoing management of these spaces.
- 4 To build community awareness regarding the value of these spaces in terms of employment generation and economic inclusion and development.
- 5 To build local business networks to facilitate access to available incentives, markets and business support.

The IPR pilots were included in the City Support Implementation Plans entered between National Treasury and city managers, and the participating metros had to agree upfront to include outputs from the Industrial Space Revitalisation Plan in their respective city plans and budgets, and to allocate city project leads to drive the implementation of the pilots and revitalisation plans. An Industrial Park Revitalisation Framework was developed, based on learning from stakeholder engagements and business retention and expansion (BR&E) surveys.

### INITIAL DESIGN OF THE METRO INDUSTRIAL SPACE REVITALISATION PROGRAMME



#### STEP 1

Initiate project



#### STEP 2

Scope and plan BR&E



#### STEP 3

Undertake the BR&E survey and compile reports



#### STEP 4

Obtain stakeholder feedback and develop action plan



#### STEP 5

Mobilise resources, plan and align budgeting



#### STEP 6

Set up institutional arrangements



#### STEP 7

Implement and manage strategy and project



#### STEP 8

Review, reflect and re-design

Note: BR&E refers to business retention and expansion surveys

# METRO INDUSTRIAL SPACE REVITALISATION FRAMEWORK

Case study

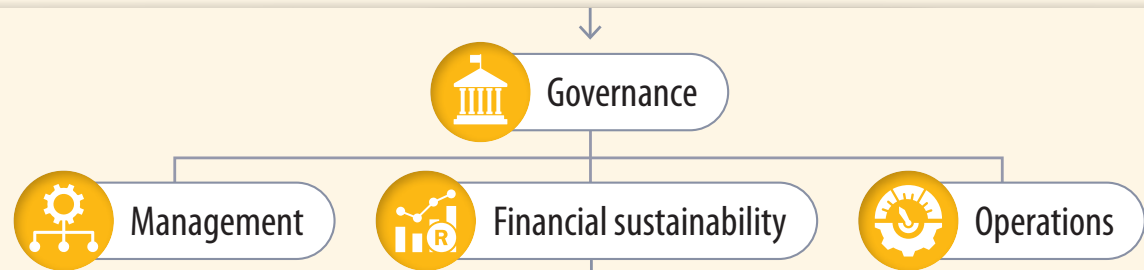
Executive Summary

Industrial Park Revitalisation Planning

LEVEL A

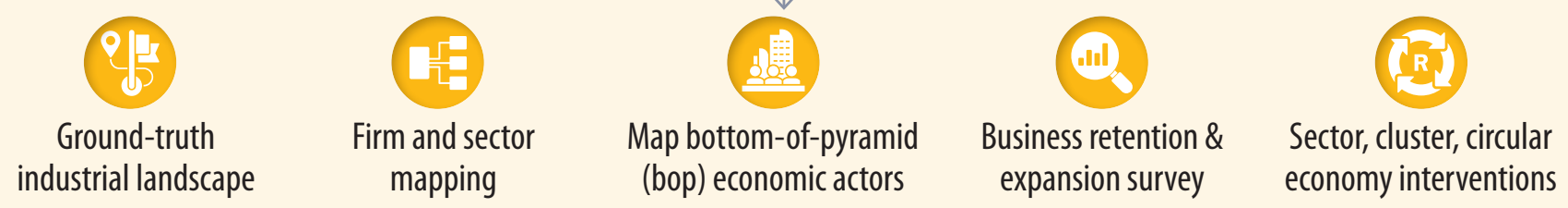
## VISION & MANDATE

The envisaged strategic role and function of the industrial space for owners and stakeholders.



## Master Plan/Revitalisation Plan

Prescribes standards & specifications

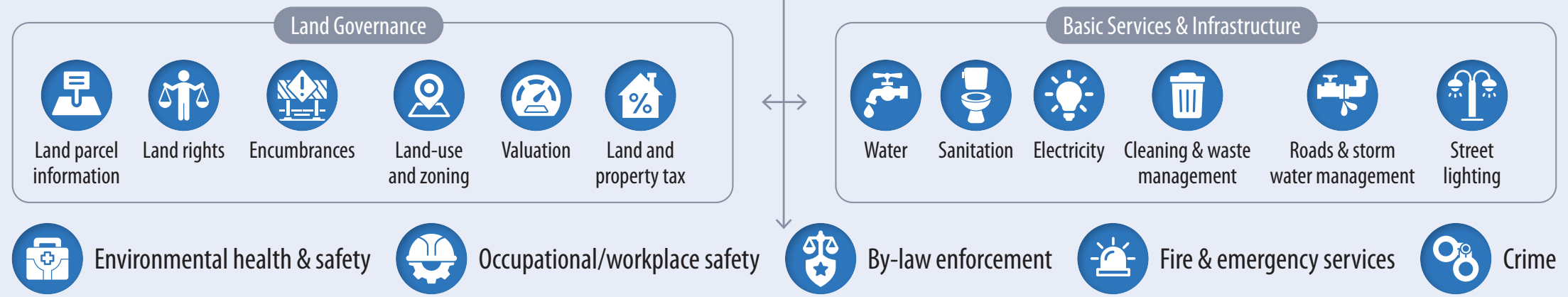


Eco-Industrial Imperative cuts across all levels

Getting the Basics Right

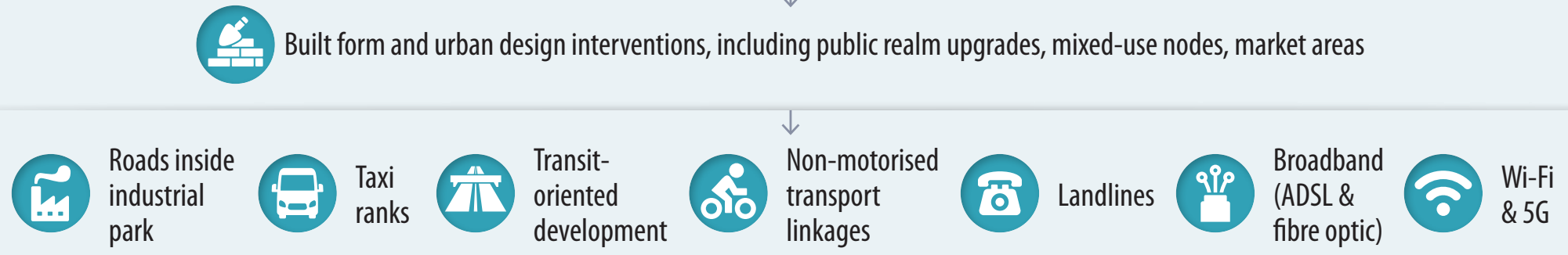
LEVEL B

## Safety & Security & Land Governance & Basic Services & Infrastructure = 60% of Revitalisation



Built Environment and Infrastructure Provision

LEVEL C





## LESSONS LEARNT

A resounding message from the metro industrial space revitalisation pilots was that many of the reasons for these spaces under-performing lie directly at the door of the public sector.



### Case study Executive Summary

#### INDUSTRIAL SPACE REVITALISATION: Area-Based Integrated and Transversal Planning for Key Economic Spaces

Developed by  
The Cities Support Programme: National Treasury (CSP-NT)

Copyright © 2023 Cities Support Programme: National Treasury.  
All rights reserved.

These materials may contain links for third party websites. We have no control over, and are not responsible for, the contents of such third party websites. Please use care when accessing them. The inclusion of any specific companies, commercial products, trade names or otherwise does not constitute or imply its endorsement or recommendation by the Cities Support Programme (National Treasury) or any of its partners.

We welcome your comments:  
Bernadette Leon, Cities Support Programme:  
Bernadette.Leon@Treasury.gov.za

W: [www.csp.treasury.gov.za](http://www.csp.treasury.gov.za)

### Acknowledgements

Project manager:  
Bernadette Leon (Strategic Support Manager CSP) and  
Karen Harrison (Economic Development Component Lead)

Photograph contributors:  
CSP-NT stakeholders

Edit, design and layout:  
Ink Design Publishing Solutions, Cape Town, [www.inkdesign.co.za](http://www.inkdesign.co.za)

#### The CSP NT acknowledges the invaluable contributions of the following partners:

Pilot metros and their project champions:  
Tshwane, Johannesburg, Ekurhuleni and eThekweni.

Private and civil society sector partners in each pilot site:  
Babelegi, Devland, Wadeville and Jacobs.

National champions: dtic, National Cleaner Production Centre,  
Productivity SA and the Global Eco Industrial Park Programme.

Service provider, project lead and facilitator: AFMAS Solutions.  
The CSP key donor SECO.