

CITY OF EKURHULENI



HOME TO AFRICA'S



FIRST AEROTROPOLIS



CREATING A WORLD-CLASS GATEWAY TO GLOBAL MARKETS

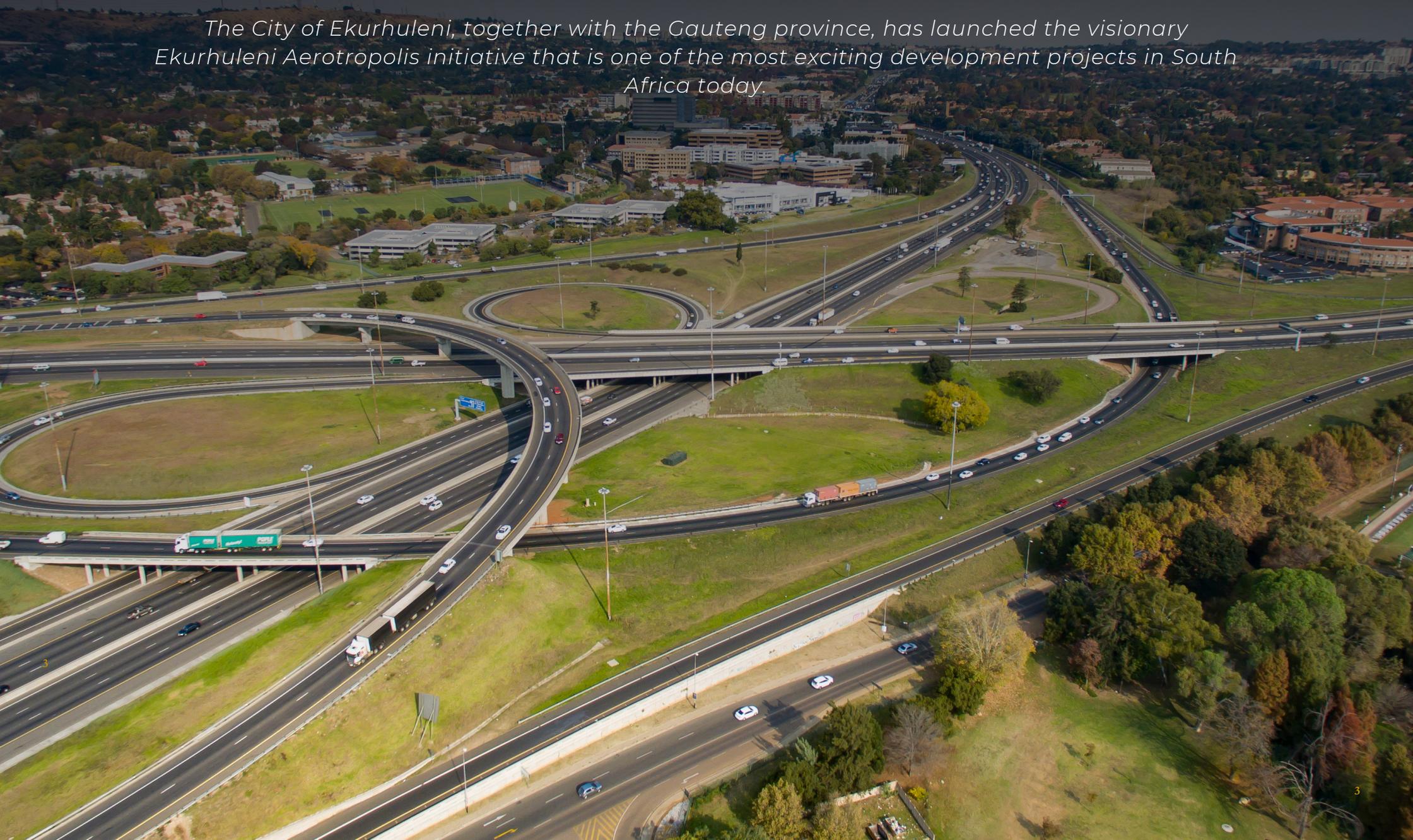




EKURHULENI'S NEW HORIZON

EKURHULENI AEROTROPOLIS - LEVERAGING THE ECONOMIC POTENTIAL OF A COMMUNITY'S AIRPORT

The City of Ekurhuleni, together with the Gauteng province, has launched the visionary Ekurhuleni Aerotropolis initiative that is one of the most exciting development projects in South Africa today.



CORE PRINCIPLES

The five overarching principles form the foundation for the vision of the Ekurhuleni Aerotropolis

COMMUNITY

build strong neighbourhoods that allow people to realise their full potential

COLLABORATE

streamlined and effective governance that meets or surpasses global standards

SOCIAL CONTEXT

dense transit-oriented developments that promote and complement existing communities

CONNECT

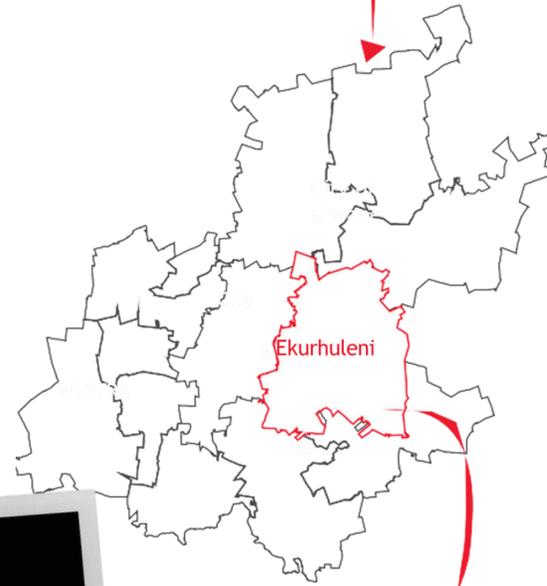
move goods, services and people efficiently and effectively

COMPETE

identify and strengthen the value chains where South Africa has significant competitive advantages in the global economy

An underlying principle of the Ekurhuleni Aerotropolis is to create a programme of permanent, sustainable jobs. Ekurhuleni has 460 000 job seekers, a significant number of whom are educated and employable.

There is no better social programme than a permanent, sustainable job!



The Ekurhuleni Aerotropolis creates unique investment opportunities for:

- Property developers
- Industrial and agricultural investors
- Just-in-time logistics companies, warehousing and cool chain storage
- Research and development
- Bio-Life products, pharmaceuticals, health care services and training

What does Ekurhuleni mean?

Pronounced 'e-koo-roo-le-ni', Ekurhuleni is a Tsonga (one of South Africa's 11 official languages) word meaning 'place of peace'. The choice of a Tsonga word for the name of the metropolitan municipality symbolises the new city's diversity and its vision of an equitable and progressive community.

EKURHULENI AEROTROPOLIS

is an urban development concept

in which the region's layout, infrastructure and economy has an airport at its core. In principle, it resembles a traditional metropolis with its central city area and commuter links to a variety of suburban developments. The key difference of the Ekurhuleni Aerotropolis compared with a metropolis, is its dynamic links to global markets.



Increasingly, the Ekurhuleni Aerotropolis,

as with the metropolis, is moving from a random, haphazard development to a carefully planned long-term growth pattern that is optimised to benefit all stakeholders and, in particular, the surrounding communities. It is by no means focused on packing an airport terminal with more retail facilities and the surrounding airport area with more service industries. Instead, it will engender broad economic benefits for the immediate airport precinct, as well as extending over a region with a radius of up to 25 minutes travelling time.



A vision with a solid foundation

The concept is central to modern urban planning and has delivered considerable economic and social benefits to airport investors, associated businesses and communities in Europe and North America. The lessons learnt there are extremely valuable and are being used to shape the development of the Ekurhuleni Aerotropolis.

1975 km²

EKURHULENI AND O.R. TAMBO INTERNATIONAL AIRPORT IN CONTEX

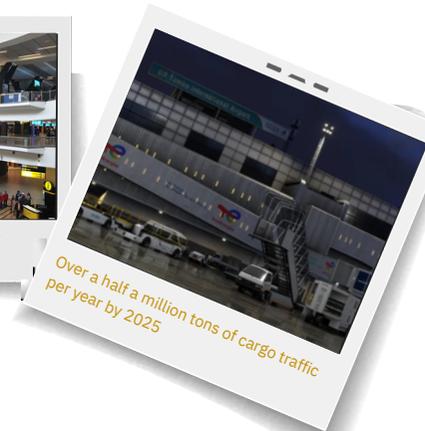
The City of Ekurhuleni is an important part of the Gauteng province, the heart of the South African economy.

Ekurhuleni and its sister Gauteng cities contribute:

- Almost 33% of the country's GDP
- An estimated 37% of the country's manufacturing
- Almost 41% of South Africa's finance, real estate and business activity.



1 of the 100 busiest airports in the world



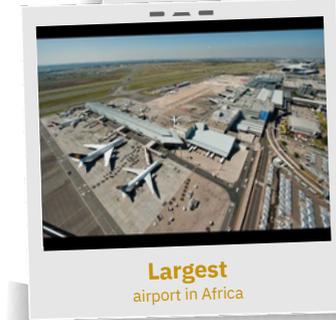
Over a half a million tons of cargo traffic per year by 2025



Handles 50% of all airline travellers to South Africa



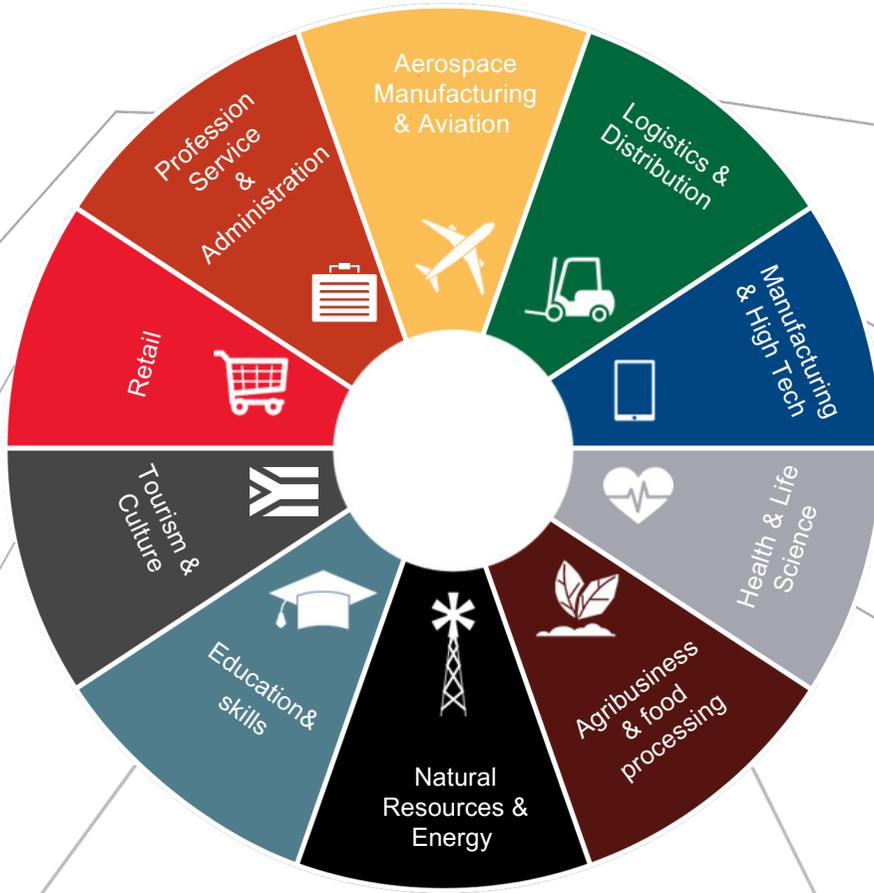
20 mil passengers a year in its current form



Largest airport in Africa

KEY FOCUS AREAS FOR INVESTMENT

The Ekurhuleni Aerotropolis will stimulate the region by generating an environment conducive to growing existing development and investment, as well as creating numerous new investment opportunities for a wide range of investors as outlined below:



- Regional business growth will generate increased demand for professional services
- The decentralisation trend of offices will make office space in the Ekurhuleni Aerotropolis increasingly sought after
- Strategically located and high-visibility sites available for retail development
- Regional focus on business tourism and cultural event-based travel creates opportunities for accommodation, as well as convention and exhibition hosting facilities
- The opportunity exists for an innovative multi-institutional university campus catering for the needs of the target industries and organisations

- The concentration of mining houses complements the Ekurhuleni Aerotropolis' transportation networks, warehousing, manufacturing and specialised technical contractor work

- Opportunities for plasma gasification plants, renewable energy pilot projects and transport of heavy equipment parts

- Existing skills base and advanced manufacturing operations provide the nucleus for potential expansion into the growing commercial aerospace industry
- Investors have the immediate benefit of mature logistics and distribution systems with excellent air, road and rail connectivity
- Commitment by national, provincial and municipal government to support the revitalisation of the manufacturing sector
- Excellent opportunities exist for high-value, low-weight goods production and exports
- The air connectivity and facilities will be ideal for elective healthcare procedures, sample testing services, as well as the manufacturing and export of medical devices and pharmaceuticals
- Land availability for high-value, low-weight agricultural production
- Increased opportunity for cold chain space as well as, domestic and international agricultural commodity trade

Integration with the Gauteng IDZ

The Ekurhuleni Aerotropolis project **encompasses** O.R. Tambo International Airport as well as the proposed Gauteng Industrial Development Zone (GIDZ)



The GIDZ is a Gauteng Provincial Government initiative to develop a purpose-built industrial estate linked to O.R. Tambo International Airport that promotes fixed direct investments in value-added and export-oriented manufacturing industries.

The GIDZ's strategic intent is to contribute to economic development by exploiting the Zone's competitive location to attract local and international investment in the manufacturing industry. GIDZ aims to be a leading Industrial Development Zone (IDZ) that facilitates and promotes inclusive and competitive economic growth and development. This will be effected through focused support for targeted sectors to strategically position Gauteng as a global city region.

THE EKURHULENI AEROTROPOLIS VISION

The Ekurhuleni Aerotropolis aims to be a showcase for Gauteng and South Africa as a viable and compelling place in which to invest, live, build a business and thrive. It will achieve this by capitalising on the area's strengths, including production and movement of goods, agribusinesses, food production, aerospace manufacturing, tourism and the most dynamic asset

– its people.

The attractive environment for business created by the Ekurhuleni Aerotropolis project could result in an estimated

**581 000
NEW JOBS**

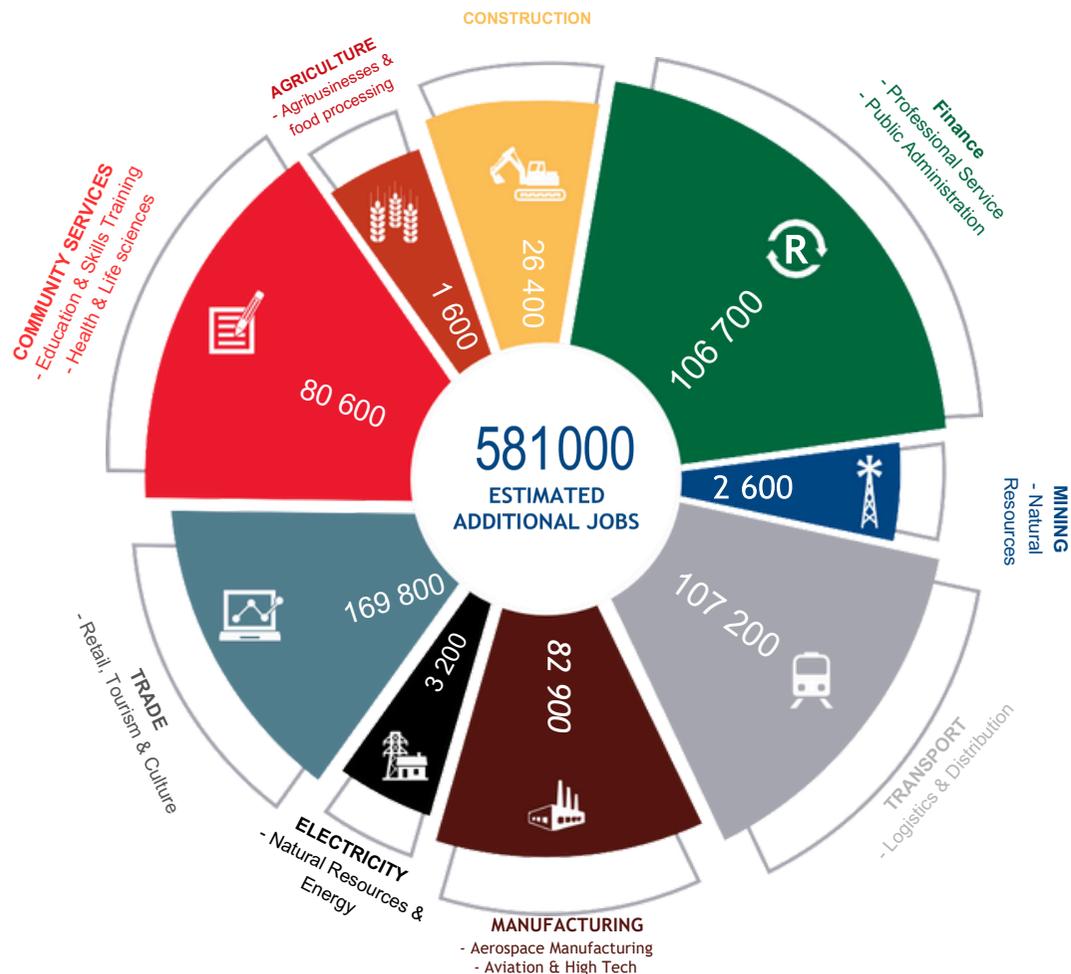


THE EKURHULENI AEROTROPOLIS PROJECT

will provide a potential increase in employment

FROM 2015 TO 2040

IN THE KEY FOCUS AREAS



The estimated increase in employment in the key focus areas by 2040 is indicated in the pie chart. It serves to compare the potential impact of the various target industries on employment growth.

Linkages

To the outside world

325 000
tons

of airfreight per year.

90%

of South Africa's airfreight through O.R Tambo International Airport.

62

international destinations, of which 76% are in Africa.

45

scheduled passenger carriers through O.R Tambo International Airport.

airlinkages

that connect the Ekurhuleni Aerotropolis to the African continent will also foster the growth of foreign direct investment into the region and beyond.

KEY ELEMENTS OF THE EKURHULENI AEROTROPOLIS

The heart– the airport

The O.R. Tambo International Airport itself is constantly being upgraded to meet the growing demand for air transport. Significant investments are being planned to take advantage of increased freight movement demands. Likewise,

the airport surroundings would be developed with efficient road networks, hotels, retail and office clusters to complement the exceptionally positive first impression of the airport.

5 minute radius

Just-in-time logistics companies, warehousing and cool chain storage, ground-side air logistics and single tenant distribution will be accommodated within a 5-minute radius.

10 minute radius

Major employers such as advanced and heavy manufacturing, single tenant light industrial enterprises, research and development campuses, bio-life, pharmaceuticals, and healthcare services will benefit from being within a 10 minute travelling time from the airport.

20 minute radius

Many existing businesses such as extended-stay hotels, amenity retailers and office campuses, would become more competitive with the benefit of new local services and facilities.

20+ minute radius

Unique to Ekurhuleni are large peripheral areas of agricultural land. Technological infrastructure would accelerate growth and manage crops more efficiently. Agribusiness that could work in this area includes cash crops, renewables and food. In order for this to work, crop land and production areas should be linked with high speed infrastructure connections to the airport and adjacent storage areas.

O.R. Tambo International Airport



GOAL = ADD VALUE

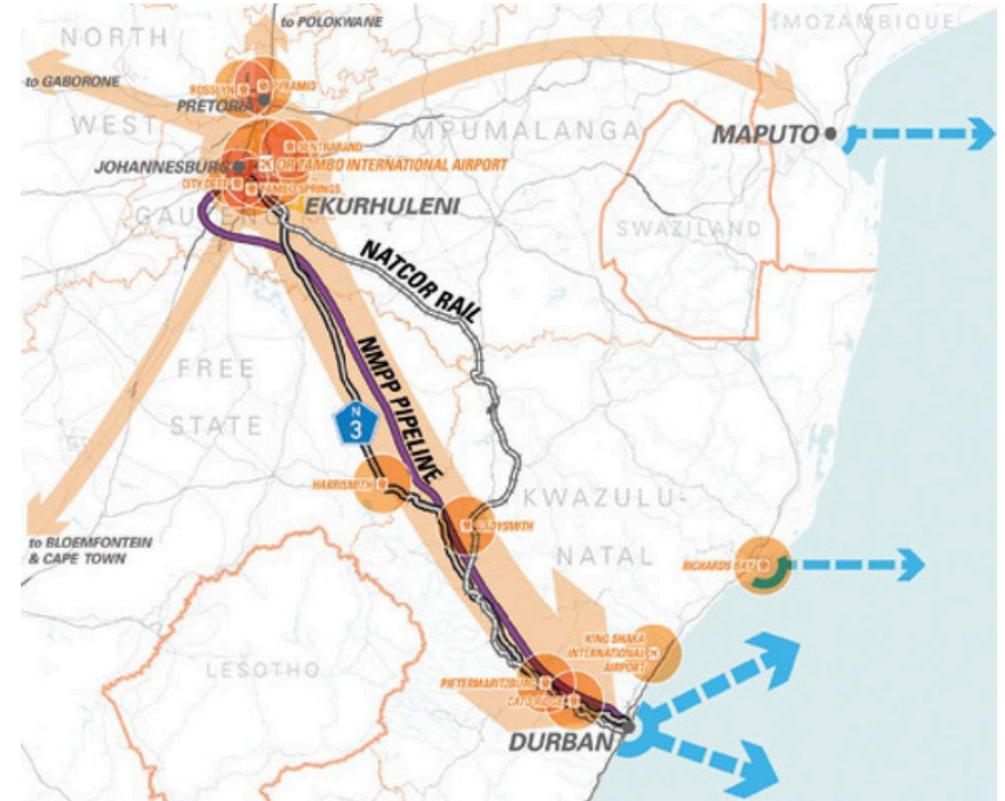
Models for leveraging access to the outside world

Logistics will be a major economic driver in the Ekurhuleni Aerotropolis. Developing value-chain-driven business models, where value is added at each stage of logistics activity within the Aerotropolis zone, will be a top priority.

Synergy with Gauteng and other national projects

Far from being a solely inward looking scheme, the Ekurhuleni Aerotropolis project will explore ways to participate in provincial and national development and integration projects.

1. Aligning with the plans to expand the Gautrain network as part of the Gauteng Provincial Integrated Transport Master Plan
2. Anchoring the Gauteng end of the national high speed freight corridor to Durban, as well as the international freight corridor to Maputo



3. Integrating regional airports into Ekurhuleni Aerotropolis master planning



4. Creating Smart Corridors that link universities and their satellites throughout the Gauteng City Region with innovation hubs



Transport

- Reducing traffic congestion with 100 km of road improvements.
- Upgrading of 30 intersections.
- Implementing a coordinated province-wide integrated bus (Bus Rapid Transit) system.
- Integrate seamless air cargo logistics to improve import and export movements.



Land development

The best positioned portions of land are being identified and earmarked for development. The aim is to capitalise on the opportunities created by proximity to a growing worldwide network of airlines and air cargo freighters, together with a robust national highway system.



Power, Water and sanitation

Upgrading of power, water and sanitation infrastructure is underway in the target development areas, while innovative funding schemes are being developed to facilitate this.



ICT and logistics systems

The project aims to implement seamless air cargo logistics systems that will convey goods through customs and on to their destination without interruption or delay.





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