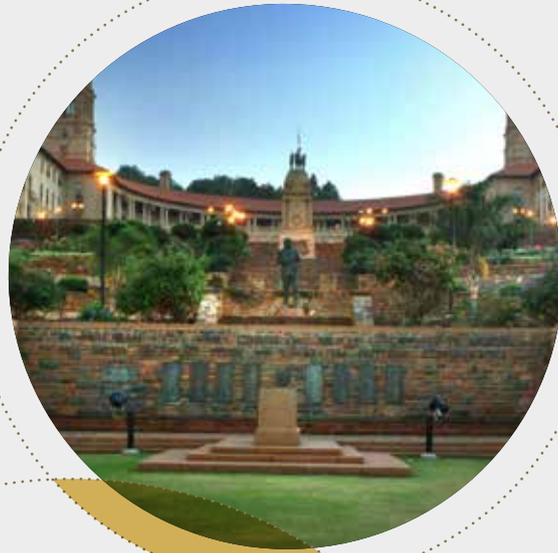


# GGT2030

GROWING GAUTENG TOGETHER



Northern  
Corridor



Western  
Corridor



Central  
Corridor



Eastern  
Corridor



Southern  
Corridor

*Gauteng 2030  
and beyond*



**GAUTENG**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

Growing Gauteng Together



**MR DAVID MAKHURA: GAUTENG PREMIER**

In 2019, the people of Gauteng took to the polls and voted to renew the mandate of the African National Congress (ANC)-led government based on the work done since 1994 in bringing about a "Better Life For All", and the 2019 "Let's Grow South Africa Together" manifesto.

Since July 2019, the Gauteng Provincial Government has embarked on an extended consultation process in relation to the plans and vision for 2030 with all stakeholders, including intergovernmental partners.

I am humbled and honoured by the contribution made by all our partners and the people of Gauteng towards the development of our plan of action, namely GGT2030. The plan reflects the outcomes of this process and serves as our guide towards the Gauteng of our dreams, which is:

A seamlessly integrated, socially cohesive, sustainable and economically inclusive Gauteng City Region (GCR). A place of opportunities, supported by a growing economy, smart, innovation-driven and sustainable industries, an accountable, responsive, transparent and clean government, and a healthy, active citizenry.

The GGT2030 is our contribution to building a better nation and is part of deepening the implementation of the National Development Plan (NDP) in pursuit of the South Africa envisioned in the Freedom Charter, the Constitution, the Sustainable Development Goals (SDGs) and the Africa we want, as outlined in the African Union's (AU) Agenda 2063, which includes:

- Contributing to and taking the lead on the President's initiatives of economic recovery, investment, industrialisation, youth employment and the township economy – while also focusing on sectors of the economy with high employment potential.
- Prioritising access to quality Early Childhood Development (ECD), comprehensive literacy and numeracy in the foundation phase, targeted improvement of primary school education, and empowerment of high school learners with portable skills.
- Ensuring that 90% of clinics, community health centres and district and regional hospitals meet the ideal clinic standards within five years – with health service centres opening on time, stocked with adequate medicines and equipment, and providing safe, clean and patient-friendly services.
- The completion of unfinished housing and urban renewal projects. The hand-over of outstanding title deeds, and fast-tracking of the rapid land release programme (RLRP) – with 100,000 serviced stands. These would be made available to the people in the period leading up to 2024, for recipients to construct their own houses.
- Reducing crime by 50% in the 40 worst crime hotspots (high-priority police precincts).
- Targeting clean governance and ethical leadership – supported by steps such as finalising all outstanding Special Investigating Unit (SIU) investigations, lifestyle audits, prudent spending on vehicles for Members of the Executive Council (MECs), and an emphasis on the attainment of clean audits (GPG, 2019b).

It is Gauteng's responsibility to lead, and it is our honour to lead Gauteng. The Growing Gauteng Together Plan is a decade-length blueprint for a new phase of government in Gauteng, informed by what has come before, but not constrained by it. It is a blueprint for how the state will lead and a more just and sustainable economy and society over the next decade. It is much more than a document. It is a vision, a process, a commitment. It is the unifying force that will bring government and its partners together to ensure the impact of these interventions is felt. And it is a contract with you, the citizenry to deliver the Gauteng we want, the Gauteng of our dreams – the Gauteng we envisioned at the very start of the 6th administration in July 2019.

As the principle economic hub in South Africa, Gauteng Province is uniquely positioned to be a beacon or a bellwether for the goal of inclusive growth.

It is also the province where the most dramatic possibilities and pitfalls emerge. Dynamism coexists with disparities, making the province one of the wealthiest city regions in Africa but also one with some of the most intransigent problems of poverty, inequality and unemployment. With 35% of the national GDP, Gauteng can be a potent complement to the national endeavour of economic and social advancement; yet, it alone cannot carry the nation. Indeed, even with its best efforts, as the nation goes, so goes Gauteng.

Yet the distinctive features of Gauteng, including its cosmopolitan nature that potentially brings together a diverse breadth of people and languages, built environment, informal settlements and socioeconomic strata, make it a microcosm of what directions, detours and derailments can mean to the larger economy and the goal of social cohesion as much as to the province itself. As desirable as it is, social cohesion is more than the important exercises in building civic unity across racial, ethnic, nationality and gender lines. Social cohesion is also intricately sewn into the growth and income distribution framework in which citizens live.

In South Africa, it remains true that we face major and unique social and economic challenges that stem from our colonial and apartheid past and the faltering project of national democratic transformation.

We are now at the crossroads where we can either bounce back and find our path to inclusive growth and shared prosperity or descend further into the abyss of poverty, inequality and social unrest.

The Growing Gauteng Together Plan charts our path to shared prosperity. It is packed with bold and expansive interventions that have been shaped and refined through extensive outcome modelling and shaped by policy and programmatic experience. The impact of taking this path will be a different, far better Gauteng of 2030 – a global city region that has focused economic development and growth along equitable lines so that economic growth could be distributed fairly across the province to create opportunities for all, including the most vulnerable. It is a Gauteng in which unemployment is halved from its 2020 level, and job growth consistently outpaces population growth, enabled by a measurably more capable state.

A Gauteng where crime rates are halved and where the process of building genuine social cohesion is a daily lived experience for people of all classes and backgrounds.

A Gauteng that is not only a gateway to an integrating and ever more prosperous continent, but is also a model for city region development globally and continentally.

GGT2030 is a roadmap to that Gauteng, provided we have the discipline and commitment to execution to follow it. We invite all partners – from the private sector, organised labour, civil society, and individual citizens at large – to walk the journey with us and – where needed – to help us make the road by walking it.

In promoting good governance, accountability and focused implementation, I have signed delivery agreements with all MECs. The agreements are about implementing a GGT2030 plan of action. I will meet with departments and MECs on a regular basis to track performance on the implementation of the interventions as outlined in the GGT2030 plan of action.

In enhancing intergovernmental relations and cooperative governance, and as part of enhancing our social compact, we will also meet with our partners in other spheres of government. These will include State-Owned Entities (SOEs) and beyond, to ensure aligned delivery, as per the principles of "One Plan, One Vision".

This joint and collaborative planning will allow all of us to focus on agreed spatial and development priorities. I will report publicly, on a regular basis, to all the people of Gauteng.

I invite all of you to join the provincial government, as active participants and members on this journey, as we work towards establishing a province of which we can all be proud. A province characterised by equity, social justice and prosperity for all.



**MS PHINDILE BALENI: DIRECTOR-GENERAL**

members of the executive, municipalities and district officials, heads of departments as well as all officials within provincial departments. The process has been consultative, considering views of society at large, with the intention to create common understanding amongst all stakeholders that will ensure that the goals of GGT2030 are achieved.

The GGT2030 planning process led by the Policy Unit, relied heavily on scientific evidence using credible data and information sources. Furthermore, Gauteng embarked on the utilisation of scientific modelling techniques to improve the plausibility of achieving the goals set out in the GGT2030 plan.

As we work towards the achievement of the GGT2030, emphasis will be on coordination and collaboration. The 6th administration is cognisant that government alone, cannot deliver true development impacts, and thus needs to mobilise society to partake in the development path along with government. Ours is to create environments that enable communities to prosper. Ours is also to improve on our efficiencies as government, reduce wastage and work smarter.

The 5th Administration brought many lessons for the Gauteng Provincial Government (GPG), including the need to improve policy coordination across the GCR, and to improve performance monitoring systems, in line with the District Delivery Model, which requires that we work towards the development of a One Plan. One Vision. One Gauteng and One Country.

It is for this reason among others that we have re-established the Policy Unit within the Office of the Premier, to ensure effective implementation, monitoring and evaluation of the GGT2030 plan of action. This is in addition to on-going delivery stock-takes, quarterly and regular reporting on the implementation of the GGT2030. The work of the sixth administration will therefore be enhanced by investing in evidence based making in order to move towards the Gauteng of our dreams.

I call on all public servants to work together to implement the interventions of the GGT2030 plan of actions. I also urge you that we put the people first in whatever we are doing on daily basis if we are to realise the Gauteng of our Dreams - **The Gauteng We All Want!**

Any successful administration must invest in research & development as part of embracing evidence-based decision making. This will enhance the work of the state in systematically resolving challenges of poverty, unemployment and inequality.

The sixth administration, learning from the past administrations and immediately from the work done towards transforming, modernizing and reindustrializing the Gauteng City Region, has taken a decision to embark on a path towards realising the Gauteng of our dreams – “The Gauteng We All Want” by 2030.

The Gauteng of our dreams is based on the Indlulamithi scenarios, specifically the Nayi le Walk scenario which requires that we work together with national government and execute with a great sense of discipline the right policies – particularly the seven priorities and the 162 interventions.

The journey to 2030 has begun in the Gauteng Province. As the GGT2030 plan of action lays out the foundation to 2030, it however requires investing in a competent administration to ensure that the Gauteng of our dreams by 2030 is realised. The GGT2030 planning process has been an extensive planning process including



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The world is undergoing multiple changes. It is fast-evolving, modernising and becoming more youthful and more dynamic. It is undergoing multiple transitions as a result of dominant mega trends, such as demographic shifts, climate change, increasing levels of urbanisation and rapid technological change. Successful nations or states are those that will be able to anticipate and respond effectively to these trends.

For instance, the world's population reached 7,7 billion in 2019. It is estimated that this figure will reach 8,5 billion in 2030 and 9,7 billion in 2050. Half of the additional 2,0 billion people who may be added to the global population between 2019 and 2050 will come from countries of Sub-Saharan Africa (UNDP, 2019).

Governments must therefore adopt adaptable and resilient long-term plans and transformative policies that will meet the needs of the growing populations. These needs include food, energy, water, housing, health, education and jobs in an environmentally sustainable manner and in line with the demands of the Fourth Industrial Revolution.

Africa has adopted its transformative programme, Agenda 2063, which serves as a blueprint and master plan for transforming Africa into the global powerhouse of the future. Through the African Development Bank and other Development Finance Institutions (DFIs), Africa is putting resources aside to fund its transformative agenda. The signing of the Africa Continental Free Trade Agreement is by far the most significant development.

South Africa adopted its NDP in 2012. The NDP has been updated with the recent additional commitments from the sixth democratic elections.

Gauteng is the economic hub of South Africa. The province is the seventh largest economy in Africa, the 26th largest urban region in the world and the 6th largest urban agglomeration on the continent. It is both the financial and technological nerve centre of Africa.

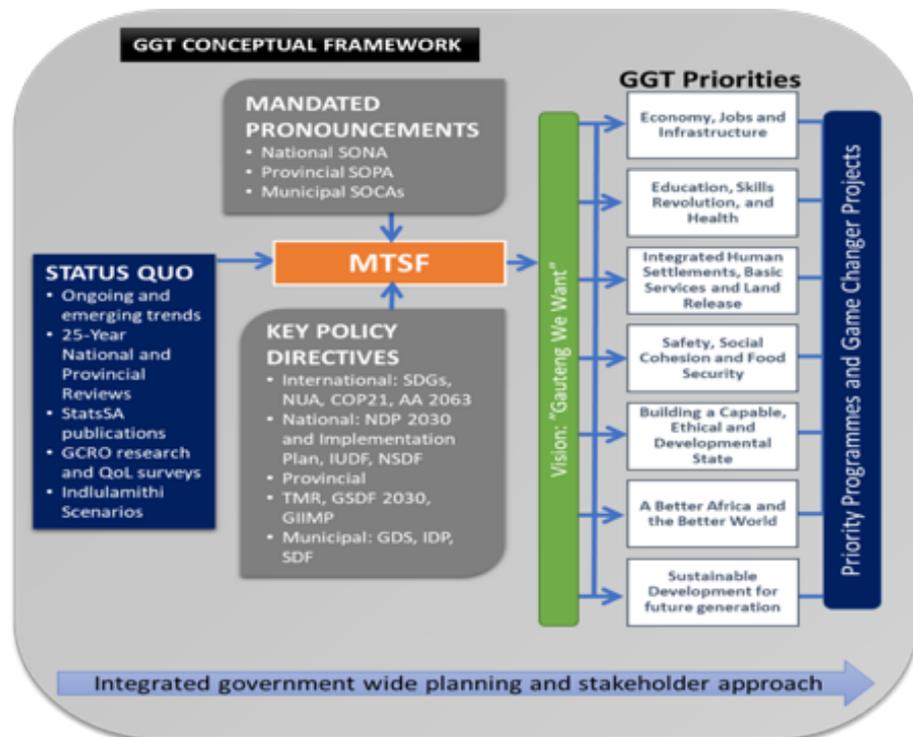


In response to the global and domestic challenges that confront the province, the government has committed to a plan of Growing Gauteng Together 2030 – or GGT2030, as it is referred to. The plan reflects a collective vision for the GCR in a decade’s time, and beyond, in that it also highlights priority actions and measures of success.

The GGT2030 plan of action is about executing the seven priorities with specific 162 interventions towards the Gauteng of our dreams, “The Gauteng We Want”.

The GGT2030 plan of action, sets out the vision for the Gauteng of 2030, guided by the principles and priorities contained in the Freedom Charter, the NDP, the Manifesto, and work carried out to date as part of Gauteng’s Transformation, Modernisation and Reindustrialisation (TMR) programme. It is also guided by the following overarching policy, strategies, commitments and policy directives:

- At an international level, the Sustainable Development Goals (SDGs), the New Urban Agenda (NUA), the Paris Climate Agreement (COP 21), and the AU’s Agenda 2063.
- At a national level, the Medium-Term Strategic Framework (MTSF), the Integrated Urban Development Framework (IUDF) and the National Spatial Development Framework (NSDF).
- At a provincial level, the Gauteng Spatial Development Framework (GSDF) 2030 and the Gauteng-City Region Integrated Infrastructure Master Plan (GIIMP).
- At a local level, Municipal Growth and Development Strategies, Integrated Development Plans (IDPs) and Spatial Development Frameworks (SDFs).



The GGT2030 reflects how the GCR seeks to address the fundamental problems facing the residents of Gauteng:

- Unemployment
- Poverty and hunger
- Crime and Substance abuse
- Climate change.
- Unsustainable growth and economic crises.
- Migration.
- Flight and displacement.
- Health
- Inequality.
- Social exclusion.
- Lack of decent work and social protection.
- Political instability, insecurity and violent conflicts.

The GGT2030 plan of action draws insights from government-wide planning and analysis arising from the work undertaken by contributors, such as Stats SA and the Gauteng City Region Observatory (GCRO), as well as insights such as those shared within the Indlulamithi Scenarios 2030.

In 2019 a group of researchers and experts from universities and NGOs, under the auspices of the Mapungubwe Institute for Strategic Reflection (MISTRA), published a report on Indlulamithi Scenarios 2030. The research identified the following scenarios on how South Africa could be in 2030, depending on what we do as different role players in the destiny of our nation:

- **Gwara Gwara:** this is the worst-case scenario where things get worse on every development indicator, leading to a total breakdown of public disorder fuelled by anger at a dysfunctional and self-serving state, rising poverty, increasing inequality, rampant corruption and an unrelenting climate crisis.
- **Isbhujwa:** this scenario represents where we are right now. There are flickers of hope and moments of despair as the country zigzags forward and backward. Change is happening but not fast and deep enough. People can get exhausted, lose hope and retreat into their own enclaves of either privilege or poverty. Unless something drastic and urgent is done, this scenario can lead to Gwara Gwara.
- **Nayi le Walk:** this is best-case scenario where South Africa recovers from the current socio-economic, political and moral crises. Drastic and far-reaching interventions are made in all sectors. A better life for all becomes more tangible. Unemployment, poverty and crime are reduced drastically. The state implements the NDP vigorously and regains credibility through upholding high ethical standards and ability to deliver.

### **Nayi Le Walk – A province in step with itself and the nation**

The Indlulamithi process broadly identified three scenarios for the future of South Africa. Cast upon the backdrop of the province, the three future scenarios are broadly replicated here to provide a window into how these alternative scenarios might fare in Gauteng. We use the modelling tools to further identify what the likely effects of specific interventions will be.

Therefore, the path to the Gauteng of our dreams – The Gauteng We All Want – of the Indlulamithi's Nayi le Walk scenario requires that we work together with national government, focusing and executing with a great sense of discipline the right policies, seven priorities and the 162 interventions to have the following dynamic impact:

- 1. ECONOMIC GROWTH:** The size of Gauteng economy is expected to more than double over the next 11 years, from its current size of about R1 trillion rand to slightly above R2 trillion rand in 2010 prices.
- 2. EMPLOYMENT AND UNEMPLOYMENT:** The provincial economy is expected to add 3.1 million jobs to total employment by 2030. As a result, and taking into account the province's population growth, the unemployment rate is expected to halve from current 31% to close to 15% by 2030.
- 3. PER CAPITA GDP:** The province's real per capita GDP is expected to increase by 70%, from about R68,000 currently to about R115,000 in 2030.
- 4. POVERTY RATE:** The Gauteng's Nayi-le-Walk growth path is estimated to reduce the provincial poverty rate by 40% over the next decade, from 25.3% in 2019 to about 16% in 2030.
- 5. INCOME INEQUALITY:** The high income inequality in the province, measured by the Gini index, is expected to decline by 8 percentage points over the course of the next 11 years. It is expected to decline from its current value of 70% to 62% by 2030.
- 6. INDUSTRIAL RESTRUCTURING:** The sector composition of output and employment is expected to change. The shares of primary and secondary sectors in total output and employment are likely to increase. Their sector shares of total output are expected to increase from 2.9 and 21.3 per cent to 4.2 and 35.3 per cent respectively. Their shares of total employment are also estimated to improve accordingly.

**Nayi le Walk outlook across provinces:** The Gauteng's stride towards a Nayi le Walk outcome for the province is found to help propel other eight provinces towards their Nayi le Walk outlooks by raising their average growth rates and lowering their poverty, inequality and unemployment rates over the next decade.

It is no surprise that Gauteng is unique in its economic, social, cultural and political features. It houses the financial capital centre, stock exchange and banking sector amongst the headquarters of other titans of industry, including gold and diamonds. This allows it to boast an enviable international interface across its industries. It also lays claim to top and wide-reaching edu-

ditional institutions that feed the industries that provide goods and services. In sum, Gauteng has a lot going for it. Yet, as the three scenarios posit, a stellar future is not guaranteed.

### **Nayi Le Walk – A province in step with itself and the nation: Economic growth significantly improves with pro-poor income distribution outcomes and builds meaningful social cohesion**

The year 2030 has arrived. Ten years ago, following the ANC national and provincial victory, the Gauteng government began an extensive stakeholder consultation process on the future of the province. The leaders were compelled to respond to the will of the electorate. By then, people were tired of the same old slogans and countless actions that had proved to be ineffective in meeting the needs of everyone. They voiced their desire for social justice, equity and prosperity and intended to hold leaders accountable to deliver on the promise to make life better for all.

The consultative process was a watershed moment. It made clear to the ANC leadership that, in order to turn things around, there had to be a significant break from the past. Previous attempts to right the economic ship had resulted in more of the same low economic growth, persistent poverty, unemployment and inequality, and had made clear that economic outcomes alone were insufficient for inclusive and sustainable development.

Looking back, the key to breaking with the past was putting people from Gauteng front and centre. Even the desirable goals of social cohesion, rule of law and a revitalised sense of civic pride had to be rooted in specific efforts and interventions that got to the core of the greatest threats to the province – poverty, inequality and unemployment.

So when the Gauteng leadership and dedicated civil servants talked about a province in which no one would go to bed hungry and where everyone would have a job and earn a living wage, it was bringing into focus a vision in which government and the economy could work for everyone.

Calls for an integrated economy were more than just strategies to enhance the province's economic performance. The Gauteng government broadened its vision to move the province beyond economic outcomes when it launched its: GGT2030 GROWING GAUTENG TOGETHER - GAUTENG 2030 AND BEYOND

It was a bold and expansive vision that refocused economic development along equitable lines so that economic growth could be distributed fairly across the province to create opportunities for all, especially the most vulnerable.

In practical terms, the plan of action and vision were aligned with national initiatives and dovetailed with many international efforts. In Gauteng, implementation of the vision required an economy that aimed to work for the people. Plus a vision that also took advantage of Gauteng's primary position as an economic hub. And tapped resources from various entities such as industry, academia, domestic and foreign investors, government and its people to create an integrated economy that would lead to a virtuous circle of growth and prosperity. To make the economy work for everyone in an inclusive and integrated fashion, Gauteng's first priority focus was on economy, jobs and infrastructure.

In ensuring that Gauteng continues to achieve play a leading role in the transformation of the economy and society, in 2004, government adopted the vision of building Gauteng into a City Region (GCR). The GCR is in the making, and the province is fast becoming an urban conurbation of highly integrated cities and urban economic nodes.

Our developing GCR is one of the largest urban agglomerations, ranking 26th in the world. Comprising an “integrated cluster of cities, towns and urban nodes that together make up the economic heartland of South Africa” (GCRO, 2018a) – with all parts effectively functioning as a single economic unit.

Figure 1: A graphical representation of the GCR



Source: GCRO, 2018a

#### 3.1 Gauteng: A place of opportunity

Gauteng is recognised as a hub for economic activity within the SADC region. As a result, many global firms have established their regional headquarters in the province (29 of the global 500 firms use Gauteng as their base) (infomineo, 2018). Of the top 14 South African companies included in the Forbes Global 2000, 11 are headquartered in Johannesburg.

Most of Gauteng’s infrastructure is excellent. It is also well connected to the rest of South Africa through a comprehensive network of national roads.

Gauteng is the host to outstanding public and private academic institutions such as the University of Witwatersrand (Wits University), the University of Johannesburg (UJ) and the University of Pretoria (UP), while the latter includes internationally recognised business schools and private institutions such as Varsity College, AFDA and Boston City Campus.

It is also home to world-renowned research institutes such as the Human Sciences Research Council (HSRC) and the Council for Scientific and Industrial Research (CSIR), the National Research Foundation (NRF), the Agricultural Research Council (ARC), the Water Research Commission (WRC) and the Innovation Hub. Knowledge is a key product of Gauteng!

Findings from the GCRO’s 2017/18 Quality of Life (QoL) Survey indicates a consistent year-on-year improvement in the quality of life in Gauteng. Results indicated greater satisfaction with life in general, with an improvement on this measure, from 46.3% in 2009 to 67.5% in 2017/2018. Other indicators support this trajectory, with the Human Development Index (HDI) showing an improvement from 0.65 in 2008 to 0.72 in 2018, while the percentage of people living below the poverty line has declined from 32% in 2004 to 16% in 2016.

Gauteng is regarded as a place of opportunities, which draws many people in the hope of escaping poverty through acquiring jobs that will better their lives.

However, Gauteng is also a place of paradox. As much as it provides opportunities, it is also faced with spatial, economic and social inequalities, areas of economic decline, and urban sprawl.

The Gauteng Spatial Development Framework (GSDF) 2030 highlights the province’s key spatial challenges: fragmented spatial

development, ongoing residential development on the periphery leading to urban sprawl, greenfield development and deindustrialisation (2019: ix). Structural inequalities continue to confront the province and the country, contributing to heightened levels of poverty, inequality and unemployment, and an increase in the demand for infrastructure, housing and services. Despite improvements, Gauteng's residents remain concerned about the economy, joblessness and the quality of services, with crime considered to be the biggest societal concern for local communities (Moore, 2018).

### 3.2 Gauteng: A growing province

As stated, growth in the world's population, specifically urban regions, is estimated to grow by 68% by 2050 (World Cities Report, 2018: UNDP, 2014; 2018). And regions like Gauteng are no exception to this mega trend, as explained by Bosworth, (2016):

"South Africa's cities are characterized by urban sprawl, the private car dominates, and the poor, mainly black South Africans remain on the urban margins, excluded from economic opportunities and that, the legacy of Apartheid spatial engineering and planning continues to inform the reality of urban life after more than 20 years of democracy".

Therefore, understanding demographic trends such as fertility, mortality, population change and urbanisation is critical. The 2016 Community Survey shows that there was a 9.2% increase in the province's population between 2011 and 2016 (StatsSA, 2018a: 14).

There are currently 15.2 million people living in Gauteng. This is projected to grow to 18 million by 2030 and increase to between 22 and 25 million by 2050.

Gauteng's population growth is attributable to many factors. The province has the highest numbers of in-migration and out-migration flows in South Africa, with an in-flow of domestic migrants mostly from rural provinces (StatsSA, 2018b: 14). The table below provides an overview of in-migration and out-migration estimations for the province, over three time periods (2006 to 2011; 2011 to 2016; 2016 to 2021).

Estimated provincial migration streams	Out-migration	In-migration	Nett migration
2006–2011	416,569	1,330,136	913,568
2011–2016	479,461	1,459,549	980,088
2016–2021	548,456	1,596,896	1,048,440

Source: StatsSA, 2018b: 14-15

Cross-border migration accounted for 3% of population growth (RSA, 2012: 104). South Africa is a highly urbanised country, with the effects of this urbanisation most sharply felt in Gauteng, given the economic opportunities it offers. This growth has a significant bearing on provincial priorities and budget allocations. The high number of people drawn to the province has resulted in population density levels that are significantly higher than the country's average (675 people per square kilometre, in contrast with the national average density of 42 people per square kilometre).

Gauteng is a youthful province. The majority of its population are of working age, which suggests a productive future. Gauteng's demography changed slightly between 2011 and 2016:

- The percentage of those located within the working age population (15 to 64) declining from 72% to 66.5%.
- The percentage of older persons (65 years and older) increased to 8.7%.
- Gauteng has recorded an increase in life expectancy, from 53 years in 2006 to 65 years in 2017.
- The provincial average life expectancy trends between 2016 and 2021 for Gauteng reflect an average life expectancy of 64 years for males, and 69.8 years for females (StatsSA, 2018:3).
- The percentage of children aged below 15 remained constant at 25% (StatsSA, 2018: 9).

An amalgamated view of these trends indicates that Gauteng will continue to be the driver of South Africa's economy, support-



## **THE ECONOMY, JOBS AND INFRASTRUCTURE:**

A growing, labour-absorbing, inclusive, innovative, sustainable and globally competitive economy.

In terms of building and growing an inclusive economy, creating much-needed jobs and investing in infrastructure, our vision for the Gauteng economy by 2030 will reflect:

- The full diversity of the population.
- The full potential of all the people.
- Everyone having a job.
- Everyone earning a decent living wage.
- Businesses, big and small, thriving and prospering.
- By 2030, efforts to reverse regional economic inequalities start to pay off. Refocusing economic development and growth along inclusive equitable lines and fairer distribution required a series of bold priorities that took years to implement but in which everyone had a stake.

### **Nayi le walk – a province in step with itself and the nation**

Starting with the TMR in 2014, Gauteng leaders took a hard look at the economic challenges and its favourable resource endowments. Following the collective GGT process in 2019, it was decided to expand Gauteng's existing base, pursue and direct more foreign and domestic direct investment into new labour-absorbing sectors, support initiatives to promote entrepreneurship in the townships, bring local suppliers into the value chains and invest in the infrastructure needed to support these dynamic goals. A responsive enabling environment unleashed the potential locked up in existing industries and in new sectors as more economic participants contributed to an expanding economy. Now the GGT strategic plans were bearing fruit, and gave impetus to broadening the sweep of the economic vista.

In the centre and in all four corners of the province, the development of economic corridors was underway. This monumental strategy had forever altered sole reliance on a skewed capital-intensive productive base, dominated as it had been by large enterprises principally operating in only three of Gauteng's metro areas. Regional economic inclusiveness was now showing signs of breaking past the dismal employment status quo and opening up the possibility of keeping up with future demands for jobs. The capital class, once fearful of relinquishing its drive towards capital-intensive production, has begun to reap benefits from labour-intensive growth in terms of rising productivity and an expanding consumer base.



More foreign and domestic direct investment was secured and targeted to expand not only specific industries with historical success in the region but also to those that were specifically labour-absorbing and those new industries with significant employment potential.

People were finding jobs at a faster pace. Many of the well-paid jobs were concentrated in and around the five industrial corridors. Everyone (workers, industry and government) agreed that some of the best jobs were in industries where demand was likely to remain high and growing. By ushering in foreign and domestic direct investment to labour-absorbing industries and insisting on making the economy more inclusive, workers were getting good jobs in the automotive, food processing and tourism industries. They were also entering new and growing sectors that continued to receive targeted investment, like creative industries and the green economy.

Local, marginalised and township-based suppliers who had previously been kept out of the loop were deliberately linked to the value chains in the corridors and to those of transnationals operating in the province. Local and small-scale farmers were incorporated into the agro-processing industries, while small local manufacturers received support through state-mandated purchases of 75% of their goods and services. By now, township businesses accounted for nearly 30% of GPG's procurement expenditures. Small producers were no longer left alone to confront large competitors or to face a difficult structural environment for improving their competitive market position.

Township economies were not left behind. The entrepreneurial spirit throughout the province and especially in the townships was recognised and supported. Locating more agro-parks and agro-processing in townships had expanded the economic pie for businesses and workers in these areas.

Entrepreneurial self-starters had benefited from government procurement and other tangible support they received. They appreciated being paid quickly for their products and services because it allowed them to better plan and to be more sustainable. Getting access to government-owned workspace also gave many self-starters a leg-up. Some small businesses experienced growth as a direct result of government support for clusters and nodes in the townships and in peri-urban areas. Businesses large and small began to prosper and thrive.

Though there was still much to be done, a dynamic buzz of integration and revitalisation was felt throughout the province. The deliberate and enabling measures successfully strengthened the regional economic competitiveness of GCR. These remarkable gains were not lost on the electorate as they prepare to head to the polls in the upcoming election. To the majority of voters, the most important thing about inclusive growth was the availability of decent jobs.

### **Not just a job, but a good job (decent employment through inclusive growth)**

Guiding the vision of an integrated and labour-absorbing growth was the need for jobs, jobs, jobs. By taking this bull by its horns, the Gauteng government recognised three key things: given a chance, the people were bursting with untapped potential; undoing spatial distortions in the built environment would do more than remove barriers; and freeing up the potential that was locked up in existing industries and promising new sectors. In short, the key to liberating Gauteng's economic inclusivity came down to strategic reliance on people, places and things. These elements of inclusivity came together with a massive influx of investment to promote people in promising sectors and to build infrastructure to support them.

New and existing labour-absorbing industries were promoted for their role in making the economy more inclusive. The government and private investors started to see multiple advantages of investing in the green economy, business process outsourcing (BPO), the knowledge economy and creative industries. But traditional industries, such as automotive, capital equipment and rolling stock manufacturing, finance and retail received investment boosts as well. Prior to 2019, many sectors including the food, tourism and the social economy had not seen levels of vibrant activity or generated and employment at levels taking place today. Newly employed young people joined older workers in manufacturing, the food industries and service jobs and other sectors that received special attention for their labour-absorbing potential.

Though the targets for billions of Rands in foreign and domestic direct investment by 2024 were difficult to achieve at the beginning, once the dynamism of an expanding provincial economy took off, reaching the first billion was not so remote.

The introduction of SEZs across the GCR, like the automotive special economic zones established in Silverton, had also boosted manufacturing, exports and decent, well-paying employment throughout the province.

Decent employment was also starting to become available through increased investment in townships, areas that had long before seen better days, and in peri-urban areas. For example, the establishment of more agro-parks and processing facilities for different segments of the food industries were not only located in the five industrial corridors, but are also positioned in previously underserved areas. The massive productive capacity spanned many parts of the province and resulted in linkages across the value chain.

Meanwhile, entrepreneurs in the informal sector, who did not stay idle during the economic marginalisation, spatial inequality and the decline in formal employment, a lifeline of much-needed support. In addition to financial support for SMMEs, they were assisted to formalise their operations through Qondis' Ishishini Lakho (Fix Your Business). Like other small entrepreneurs in townships and elsewhere outside the urban centres, informal business owners now had access to the growing number of eKasiLabs.

The public sector also had several direct job-creation roles to play. The public sector required its suppliers to hire and train young people as a mandatory condition for procurement awards. Also, public sector employment had opened up for young entry-level applicants, many whose lack of experience was no longer a disqualification.

In the spirit of good governance guiding its strategies, the provincial government had held itself accountable for its own job creation. Meanwhile, in an unusual level of cooperation, government and industry adopted the rare joint commitment to hold themselves accountable for the specific numbers of jobs they promised to create in their public-private partnerships. Mechanisms had been put in place to make job creation accountability transparent.

### **Moving the marginal to the middle (inclusivity for vulnerable and marginal groups)**

The national historic challenge of the three-headed monster of poverty, inequality and unemployment continued to make its presence known in the province. To the young men and women who might have been filled with youthful optimism, it was clear that the face of poverty and unemployment continued to be black, young and female. Past policies had done little to undercut this outcome.

As sectors were given special attention for their labour-absorbing potential, tackling youth unemployment and promoting youth entrepreneurship became a key priority because the lack of access to economic opportunities had affected the youth most severely. The government also sought buy-in from the private sector for continued commitment to the National Youth Accord to ensure that youth employment and skills development are prioritised there as well.

The commitment to youth and women placed them squarely at the centre of implementation of infrastructure and other inclusive growth plans. All state spending earmarked for infrastructure and other initiatives that formed part of the provincial integration and inclusive growth plans were reserved for women and youth.

Along with other initiatives promoted by the GPG, the Expanded Public Works Programme (EPWP) still provided significant employment opportunities for youth. A large percentage (80%) of unemployed youth had been incorporated into EPWP not solely as employment of the last resort, but as one of the few, if not only, option they had for useful on-the-job training. By working to maintain and repair public facilities and infrastructure, green initiatives or in the safety and care economy, young people engaged in these activities acquired transportable skills and training. These key features of the GGT strategy gave young people renewed hope.

### **Public sector employment also opened up for young entry-level applicants, many whose lack of experience was no longer a disqualifying marker.**

These efforts were coupled with the expansion of other successful programmes that helped young people prepare for and acquire jobs. The success of Harambee Youth Employment Accelerator and the Youth Employment Service (YES) programmes led

government to expand its goals of helping young unemployed people find the skills and connections to secure employment. For school leavers in need of complementing their book learning with practical work skills training, the government also supported Transition Centres of Excellence.

These youth-targeted programmes successfully benefited both young men and women. Young women show exceptional entrepreneurial courage to embark on their own enterprises either individually or in groups. Their representation within SMMEs grew in all types of areas, including those in traditional and non-traditional sectors. They were also amongst the 50 emerging black firms that were tapped by government for hire as contractors and subcontractors.

Those most bypassed by economic progress were youth and women concentrated in townships. Meaningful integration of the township economies into larger economic plans for the province meant moving the deprived community squarely into central focus, and moving those at the margin to the middle.

Lessons learnt from the past showed that, with appropriate state support, more jobs could be created by small and medium-sized businesses, including infrastructure development and access to markets through government procurement for township businesses. Gauteng earmarked 30% of its procurement budget to township businesses. These included giving township enterprises, SMMEs and cooperatives the opportunity to maintain and repair government facilities, equipment, furniture and infrastructure on condition that such SMMEs employed and trained young people in technical trades.

GPG invested in infrastructure to support township business clusters to expand, access markets and prosper. This included rejuvenation of township industrial parks, agri-hubs and local produce markets. It also involves expanding broadband access. Linkages that required telecom infrastructure could now meet the needs of increased data transmission and the spread of Wi-Fi networks.

### **Build a bridge and we will cross it (infrastructure is key to inclusivity)**

To deliver on its vision for a modernised, re-industrialised and integrated economy, the provincial government renewed its commitment to infrastructural support for industry. The private sector had always relied on all levels of government to provide and maintain the infrastructure they needed to operate efficiently. They had always relied on a government-supported enabling environment for their sustainability and growth. But to small business owners, especially those in the townships, peri-urban and informal settlements areas, they were generally on their own.

In 2019, the provincial government expanded its vision of an integrated region to include infrastructure for all residents. Small business owners in the townships and other areas on the periphery were pleased to see that the material environment in which their businesses operated got a boost of support. Everyone could see that the infrastructure projects were intended to address inequalities in the form of structural deprivation and material exclusion. It was not lost on them that the building of infrastructure, planning and upgrading urban spaces and integrated public transportation took social cohesion to a whole new level. Despite all the ingenuity needed to survive, structural inequalities were immovable without strong state action. The provincial government accepted the challenge. Distortions of the past that deliberately excluded or marginalised people were addressed as part of the integration of the whole region. More specifically, investment in infrastructure created the enabling environment needed to ensure fair economic participation, in decent work and increased access to other opportunities for everyone, especially women and youth.

While some infrastructure investment was targeted at labour-absorbing industries, others were specially undertaken to facilitate linkages between established and emerging businesses along the supply chain. Investments in townships for material and social infrastructure (water, housing, schools, clinics and transportation) became economic drivers in underserved areas to promote more equitable opportunities and greater economic participation. The township economy and its SMMEs got the boost they needed to become sustainable.

People are not passive recipients of infrastructure. They also participate in building infrastructure as construction jobs accounted for almost the entire 100,000 job creation goal. Emerging black firms participated in building infrastructure as contractors and subcontractors, including female- and youth-owned businesses. Construction jobs took off and 60% of the jobs on new infrastructure projects were allocated to young people as a condition of procurement. Unemployed young people also comprised

80% of EPWP projects. These projects became woven into the fabric of the built environment (nodes and hubs) in townships and other informal settlement areas to make them more responsive to the needs of the community. Government deliberately and successfully utilised the infrastructure budget to drive an agenda for job creation, economic empowerment and spatial transformation.

The province made an earnest and sizeable effort to catch up on years of underinvestment in infrastructure in the townships and periphery of towns and cities. Where physical disparities had been created by previous well-intentioned government efforts, they became obstacles to the cohesion the government wanted to build in 2019. Although projects like energy, telecom, transportation and water systems were needed to keep up with demand, the government committed to providing additional resources to support anticipated growth.

Transportation infrastructure started to make public transport efficient, reliable, safe and affordable. With the majority of the population of Gauteng living in 152 townships around the province, transportation infrastructure had become an important large-scale industrial support. An inclusive economy could not thrive when underutilised labour potential was stuck far from work or wasting vast amounts of time to get to it. With improved transport that reached every corner of our province, travelling to and from work is less costly to the province and its residents.

Each corridor started to reach its potential. Each received a massive budgetary allocation to build and revitalise the existing economic base, but with a distinct aim to couple employment opportunities with environments in which people could live and enjoy their livelihoods in the same communities.

Citizens responded to the challenge to take initiatives to improve their own lives, knowing that they were supported by an activist, capable and developmental state.



Contributing an estimated 35% (R1.59 trillion) towards South Africa’s GDP in 2017, Gauteng makes a massive contribution to the national economy. To put this into perspective, the province contributed:

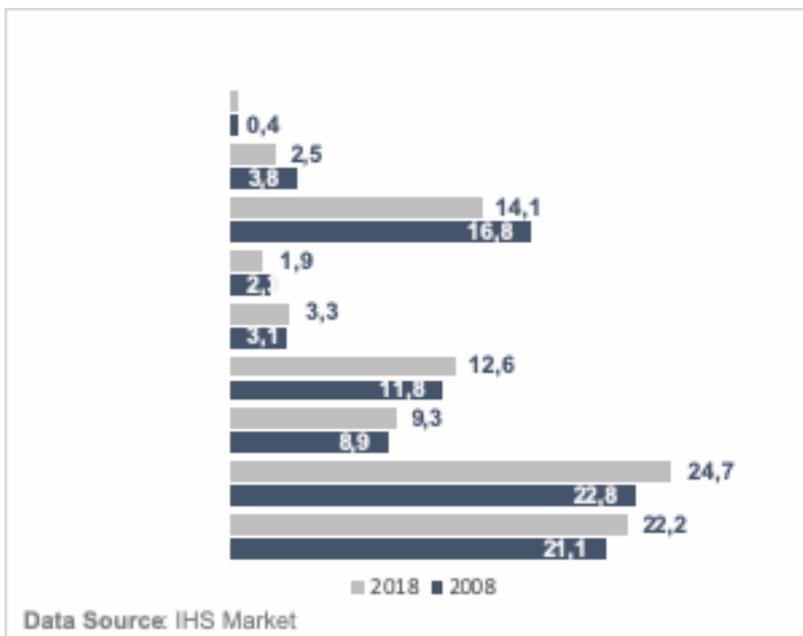
- 42% to the nation’s industrial output.
- 53% to the nation’s exports (GPG, 2019).

As South Africa’s financial and services hub, Gauteng also boasts a well-developed network of businesses that support a highly developed and diversified economy.

However, as indicated in the figure below, the composition of the economy has changed since 2008. Growth was achieved in the finance and community services sectors, but there was a decline in the manufacturing and mining sectors.

Figure 3: Relative sector contributions to the Gauteng economy (2008 vs 2018)

Of the eight largest metros that drive growth throughout South Africa, three are found in Gauteng. In 2018, Johannesburg contributed 42.9% to the province’s economy, Tshwane added 29.1%, and Ekurhuleni 19.3%. However, South Africa has also experienced a decade of economic challenges.



Lacklustre growth coupled with low business and consumer confidence have all conspired against the economy (National Treasury, 2019). Likewise, Gauteng’s economy has struggled:

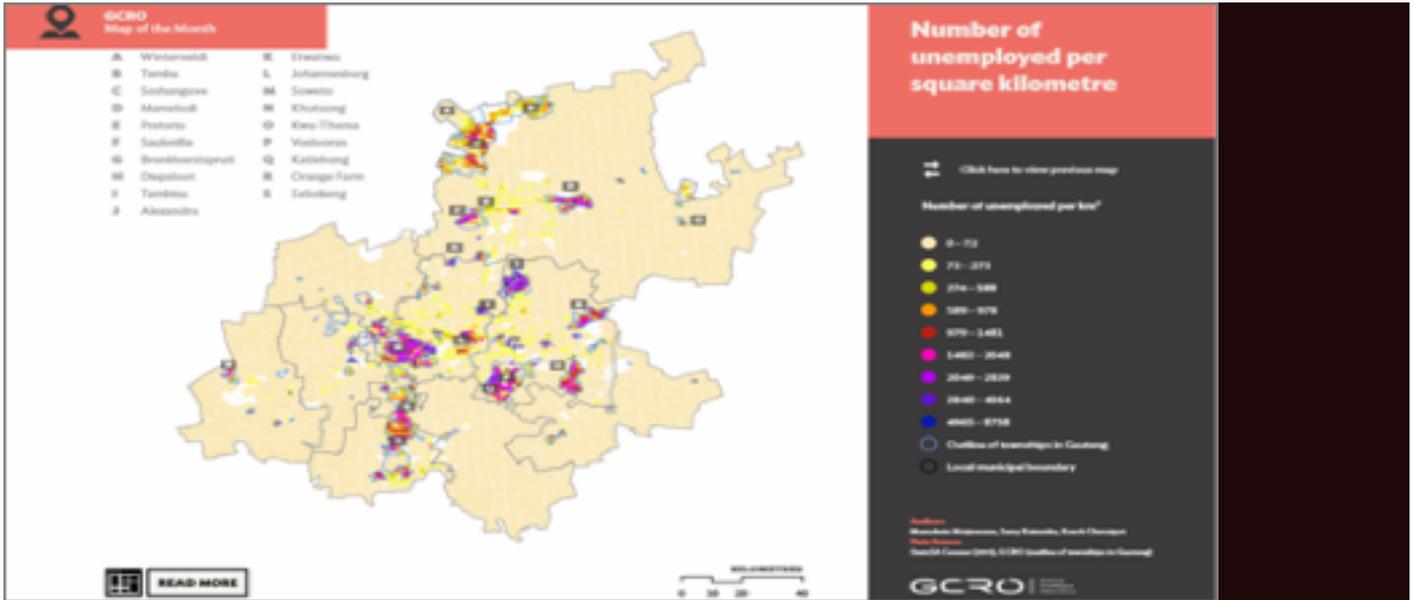
- An average annual growth rate of just 1.9% between 2008 and 2018.
- Declining output in 2018.
- Negative growth of 2.2% for the first quarter of 2019.

Between 2008 and 2018, notable gains were made in the finance sector, whose share in the economy increased by 1.9 percentage points and recorded the highest average annual growth of 2.9%.

Manufacturing’s share was reduced by 2.7 percentage points and recorded an average growth rate of -0.02%. Although Gauteng is the country’s business and industrial hub, the province still faces structural challenges with regards to the economy. Challenges that continue to burden many of our people with poverty, inequality and unemployment.

As a result of inequality many of the people do not have access to housing, transport and are located further from their work place.

Economic marginalisation is evident across Gauteng’s geography, as you can see on the map below, which highlights the number of unemployed people per square kilometre.



Ownership patterns reflect a reality where much of the wealth in the economy is concentrated in the hands of a few. This, and the capital-intensive nature of Gauteng’s economy, further undermines attempts at transformation and economic inclusivity. As does the lack of an enabling environment.

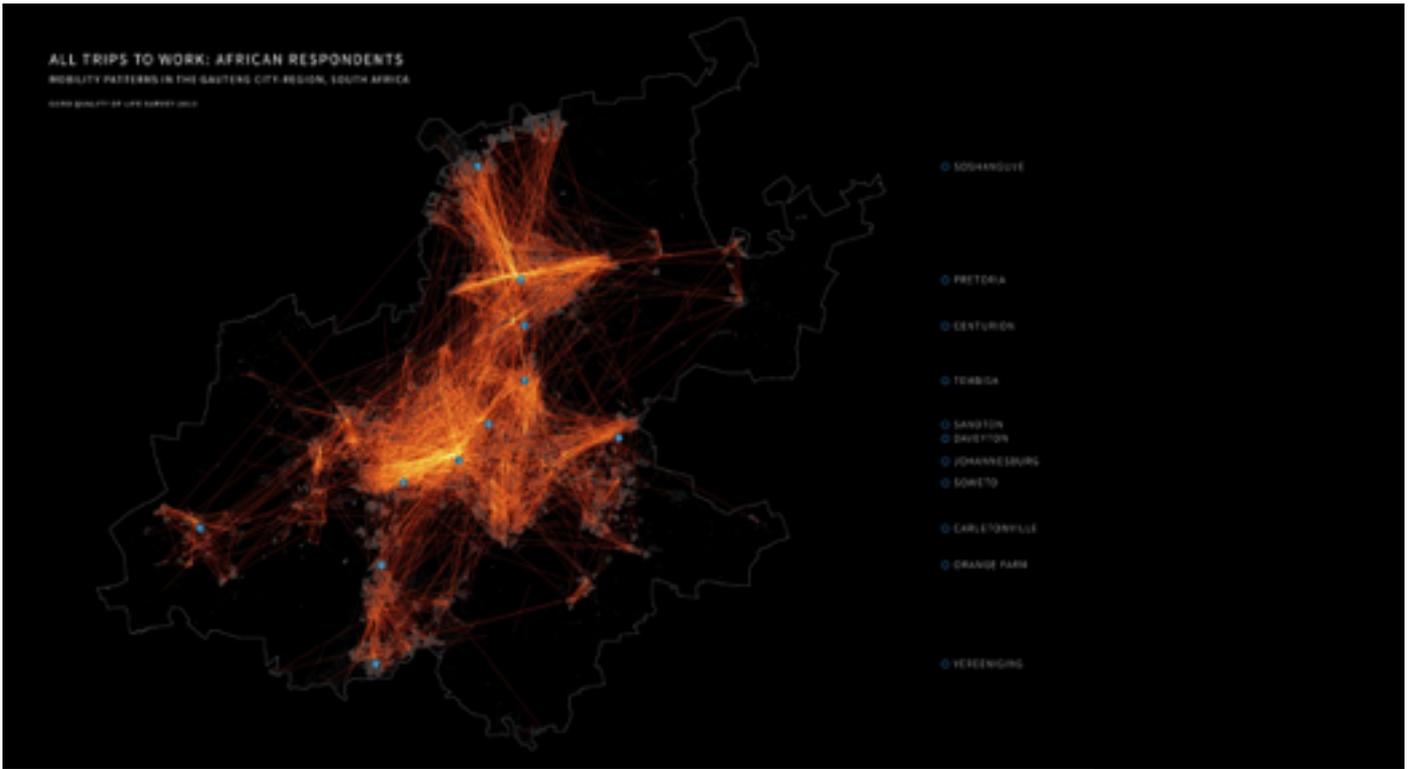
Adding to the woes, growing the economy is hampered by the absence of an investment-friendly environment, which is compounded with high costs and regulatory burdens that impact the extent to which Gauteng can attract Foreign Direct investment (FDI).

As much as 70% of Gauteng’s population reside in the 152 townships scattered throughout the province.

But this vast labour potential is often underutilised because of many townships being located far from work opportunities. Challenges that are worsened by the absence of reliable, safe, affordable and accessible transport options that further entrench this pervasive inequality.

To help better understand these issues, the map below reflects “trips to work” by African respondents to the QoL Survey. As you can see, it provides a sense of the long distances many people are compelled to travel on a daily basis to get to and from their places of work.

It also further highlights the importance of growing localised economies and/or improving the quality, quantity and cost of transport opportunities.



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The lack of access to economic opportunities affects the youth most severely. The youth unemployment continues to be one of Gauteng’s most pressing economic problems:

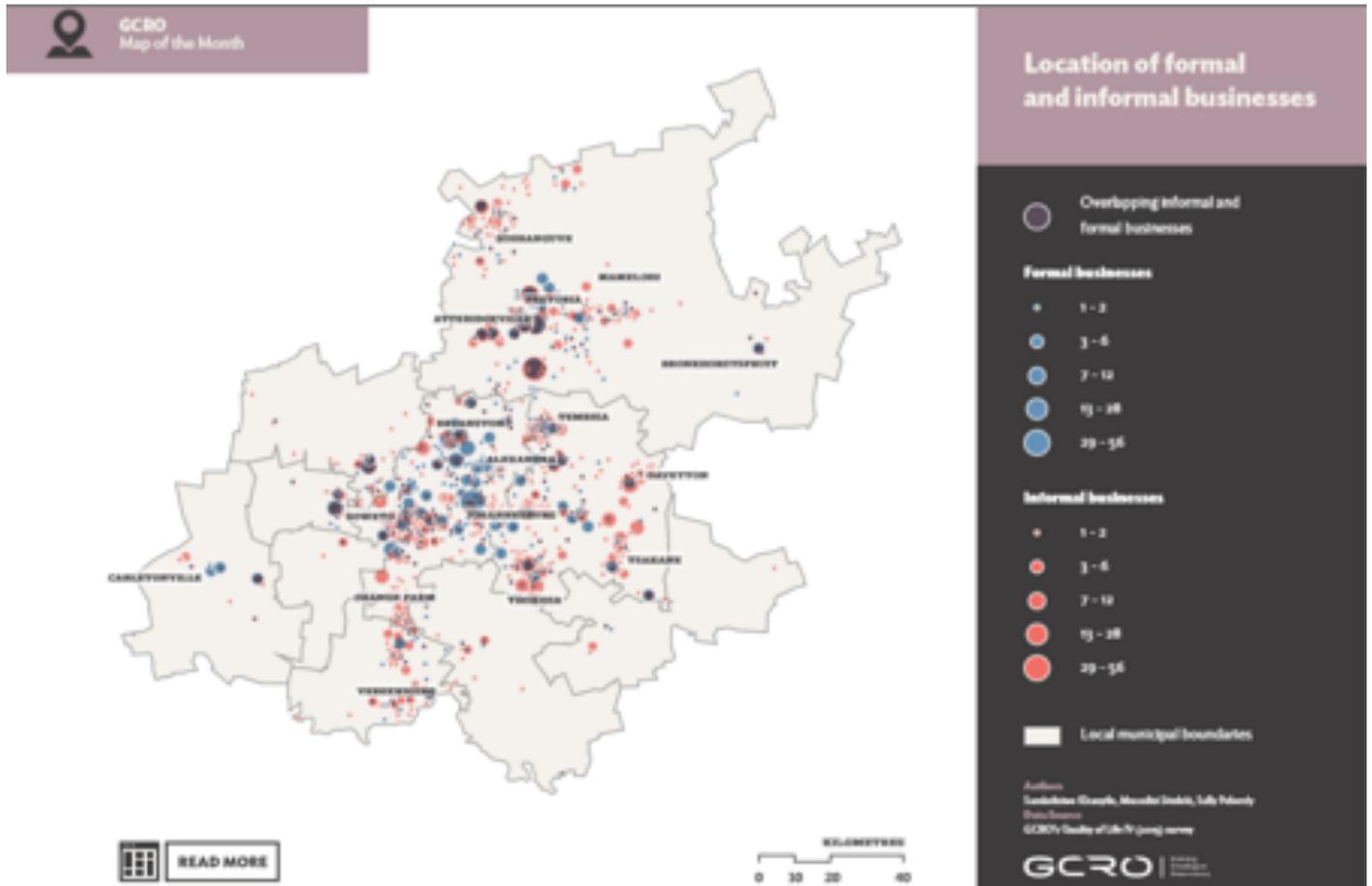
- Approximately 2.7 million young people in the province are neither in employment nor in education.
- The province’s annual employment level targets remain unmet.
- Nett employment opportunities declined by 121 000 in 2017.
- The metros experienced job losses of 85 000 in Johannesburg, 42 000 in Ekurhuleni and 35 000 in Tshwane (GPG, 2018:18).

A silver lining on the dark economic clouds, however, is the informal sector, which continues to grow.

Informal businesses have emerged as a major feature in township and city centre economies across Gauteng.

The economic marginalisation, spatial inequality and the decline in formal employment have led to growing job opportunities in the informal sector as entrepreneurial spirit in urban communities create new opportunities for survival.

The map below plots the location of formal and informal businesses across the province, based on QoL Survey findings.



### **In terms of growing an inclusive economy and supporting the township economy, we have been actively involved in the following:**

- Supported over 300 entrepreneurs through the Township Economy Revitalisation (TER) programme's nine "eKasiLabs".
- Provided over 3,000 township Small, Medium and Micro Enterprises (SMMEs) and 1,400 cooperatives with financial support, assisted over 14,000 SMMEs and over 3,000 cooperatives with non-financial support, and formalised over 20,000 township SMMEs through the Qondis' Ishishini Lakho ("Fix Your Business") campaign.
- Assisted over 568,000 young people to access pathways to employment through the Tshepo 1Million programme, while also placing over 24,000 of these young people in formal jobs between January 2017 and 2019.

### **In terms of investment:**

- Attracted R199 billion in FDI and over R3 billion in Domestic Direct Investment (DDI), and created 469,000 new jobs through government and business collaboration.

### **In terms of industrialisation and modernisation projects:**

- Strengthened our reindustrialisation, job creation and economic growth efforts through the establishment of the SEZs in Tshwane and OR Tambo Industrial Development SEZ.

### **In terms of agriculture, agro-processing and associated infrastructure:**

- Supported SMMEs, black farmers and other entrants into the agricultural value chain through the establishment of eight agro-parks across the province, the construction of processing facilities, and support in improving agro-park outputs and access to the market.
- Established a farmer support and development programme which, amongst other achievements, cultivated over 11,193 hectares for food production in communal areas, supported the delivery of training, assisted with food security initiatives and empowered vulnerable members of the community through the delivery of food gardens.

### **In terms of enabling infrastructure:**

- Spent more than R80 billion on infrastructure development, improving transport, education, health, social, connectivity and economic infrastructure.
- Completed approximately 260 infrastructure projects across Gauteng and created 500,000 infrastructure-related employment opportunities.
- Targeted the establishment of a more integrated transport, freight and logistics system – supported through Bus Rapid Transport (BRT) systems, intermodal public transport terminals, maintenance of the road network and integration of key role-players.
- Established internet connectivity to 1,181 sites across the GCR, developed 1,800 ICT-enabled classrooms and activated 10,000 township Wi-Fi hotspots.
- Gauteng's total proportional R&D expenditure, as a percentage of GDP, increased from 44% in 2013 to 46.7%.

The GPG continues to facilitate and promote economic growth and development throughout the province.

To this end, the government's commitment has been to focus on enhancing inclusivity of the economy while improving competitiveness. Also, government aims to create an enabling environment for jobs to be created in the province by making interventions in the key economic sectors.

The following constitutes priority actions that will ensure that by 2030 the province has an inclusive, growing economy. An economy in which individuals, entrepreneurs and businesses – big and small – can access and build on existing opportunities.

This includes unlocking the potential of women, youth and persons with disability-led enterprises across all sectors through targeted procurement, especially for small and micro enterprises through preferential procurement. It also comprises expanded access to finance, incentives and opportunities for women, youth and persons with disability-led and -owned businesses.

#### **We will achieve this by focussing on the ten high-growth sectors:**

- **Energy, with a focus on new technologies and a diverse energy mix**
- **Transportation and logistics**
- **ICT and digital services with a focus on the gig economy**
- **Tourism and Hospitality**
- **Food, Beverages, Agro-processing and agribusiness**
- **Construction and Infrastructure**
- **Automotive, Aerospace and Defense**
- **Financial services**
- **Cultural and creative services**
- **Cannabis industry**

#### **4.1.1 Create decent employment through inclusive growth**

- Increase investment in the economic development of townships, deteriorating areas and peri-urban areas.
- Intensify focus on attracting FDI and DDI, with the 2019 to 2024 MTSF target set at R500 billion by 2024, R1.5 trillion by 2030.
- Improve the ease of doing business:
  - o Fast-tracking regulatory approvals.
  - o Rollout of supportive infrastructure and implement the incentive policy.
  - o Attracting events that have major economic spinoff for the Gauteng economy.
- Adopt measures to improve youth employment levels, including working with the Youth Employment Service (YES) initiatives through Tshepo 1Million.
- Offer support for women-led SMMEs and entrepreneurs and setting aside 40% of our procurement for women.
- Promote labour-absorbing industries, such as the food economy, tourism, social economy/co-production and community works, care economy.
- Promote investment in new growth path sectors of the future: the green economy, knowledge economy and creative industries.
- Establish agro-parks and processing facilities to support the agricultural value chain.
- Spend 1.5% of GDP on R&D to enhance innovation, Artificial Intelligence (AI) and global competitiveness.

#### **4.1.2 Create an efficient, competitive and responsive economic infrastructure network**

- Invest in SEZ to grow an inclusive economy, supportive of high-growth sectors, namely
  - o Agro-processing
  - o Creative and cultural
  - o High-tech sectors / knowledge / digital / gaming
- Introduction of corridor-focused economic development to address Gauteng's regional economic inequalities and promote balanced development.
- Expand economic infrastructure development in support of the Gateway to Africa as a critical enabler of jobs.

- Address spatial distortions in the GCR through coordinated and holistic planning that includes economic, infrastructure, social and relevant considerations.
- Invest in tourism infrastructure.
- Invest in agro-logistics infrastructure.
- Expand the smart city interventions, for instance connect all schools, public health and other facilities to the internet, and ensure all communities have substantial capacity.
- Bring affordable, reliable integrated public transport closer to residential and industrial regions and improve the road network.
- Allocate 80% of EPWP participants to unemployed youth.
- Support local manufacturing through mandating the State to purchase 75% of goods and services from local producers, especially women- and youth-led producers.
- Secure industrial financing for productive economic sectors, for instance manufacturing competitiveness enhancement programmes.
- Allocate 60% of jobs on new infrastructure to young people.
- Turn taxi ranks into economic transport hubs with shared ownerships between operators, businesses, youth and women.
- Implement a cumulative incubation programme to provide skills and jobs in selected high-potential sectors, including furniture, artisan trades, chemical, pharmaceuticals, and mining.

### 4.1.3 Rigorously support the expansion and sustainability of SMMEs

- Launch the SMME fund to support the TER action plan.
- Address the domination of agricultural inputs by big business and the monopoly domination of agro-processing and food retail.
- Ensure that all SMMEs and township businesses contracting with the government are paid within 15 days.
- Empower a significant number of emerging black firms as contractors and subcontractors, including women and youth.



### As we deliver on the priority actions relating to GGT2030, we will see:

- New eKasiLabs established in locations across each of the five corridors (Boipatong, Carletonville, Duduza, Diepsloot, Hamman-skraal), expansion of the services offered at the nine existing eKasiLabs, and improved connectivity across the GCR (with 80% of the population able to access the internet by 2024, supported by the rollout of high-speed internet access to deprived areas, with the emphasis on last-mile connectivity).
- Goods and services procured from township businesses, accounting for 30% of the GPG's procurement spend, with all SMMEs and township businesses paid within 15 days.
- Continued focus on driving inclusive economic growth and meaningful economic opportunities for all, with specific focus on SMMEs, cooperatives, township businesses, black-owned enterprises and target groups (the youth, women and persons with disabilities) – supported by incubation programmes, improved access to funding and grants, access to market initiatives, and ongoing delivery through the Tshepo 1Million programme.
- Expansion of the Welfare-to-Work programme – with 100,000 unemployed young women who currently depend on child support grants empowered with the necessary skills to enter employment and self-employment opportunities.

### An inclusive economy through targeted investment is delivered, comprising:

- Intensified focus on attracting FDI and GDI, with the 2019 to 2024 MTSF target set at R50 billion.
- Investment encouraged in sectors with significant employment potential:
  - o Automotive
  - o Capital equipment and rolling stock manufacturing
  - o Agro-processing, food and beverages
  - o Business Process Outsourcing/Services (BPO/BPS) and ICT
  - o Finance and retail
  - o Tourism and hospitality
  - o Creative and cultural industries
  - o Logistics and warehousing
  - o The green economy
- Gauteng established as a hub of the Fourth Industrial Revolution skills and a centre of excellence for digital economy breakthroughs such as AI, crypto currency and big data.
- The automotive SEZ established in Silverton, and the introduction of other SEZs across the GCR – boosting manufacturing, exports and employment for women- and youth-led firms.



### As government delivers on the priority actions relating to agriculture, agro-processing and associated infrastructure, we will see:

- Continued support for farmers across the various agricultural value chains, with a focus on the grain value chain (Sedibeng; West Rand), the horticultural value chain (all corridors), the poultry value chain, the piggery value chain (West Rand; Sedibeng; Tshwane) and the red meat value chain (all corridors).
- The completion of 12 fully functional agro-parks and five agro-processing facilities in township hubs.
- SMMEs supported through the provision of various agriculture value chain facilities: maize milling facilities (Lesedi; Emfuleni; West Rand), vegetable packhouses (all corridors), red meat abattoirs (Tshwane; Ekurhuleni) and abattoirs for poultry processing (distributed across all corridors).

### As government delivers on the priority actions relating to infrastructure, we will see:

- R1.3 trillion invested in key infrastructure programmes addressing the GCR's growing socio-economic demands in the following key sectors: water, energy, regional sanitation, freight and logistics associated with Aerotropolis, integrated public transport, e-government, modern social infrastructure, education, health and ECD infrastructure, transformative economic infrastructure within township areas.
- Improved coordination and integration of all modes of public transport, with affordable, reliable, safe public transport and improved public transport hubs linking residential, business and industrial centres, for improved access for all.
- Completion of a new freeway (the PWV15), construction of a new transport services centre, design and delivery of a BRT between Ekurhuleni and Johannesburg, expansion of the Gautrain Rail Network, and delivery of intelligent transport systems that improve service delivery and allow for real-time communication and access to information on transport safety, traffic flows, incidents, fault reporting and other specifics.
- Through a partnership process with the taxi industry, municipalities and province, taxi rank facilities in all townships and Central Business Districts (CBDs) are transformed into vibrant economic hubs, with shared ownership between operators, business, the youth and women.





## **EDUCATION, SKILLS REVOLUTION AND HEALTH:**

Delivering quality education and quality primary healthcare – and supporting a skills revolution – so that by 2030 the government will be able to establish:

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- Everyone will have access to quality education.
- Plus access to skills development initiatives that will unleash their full potential.
- A Gauteng City Region in which all the people – from the young to the elderly – will have unhindered access to quality healthcare.

### **Nayi le walk – a province in step with itself and the nation**

Once again, it's the year 2030. The South African economy had faced a massive skills constraint for years. Young people and the chronically unemployed had grown accustomed to many economic plans passing them by. Even as the narrative started to build about an inclusive and integrated provincial economy, they thought they would again be left out. But when the provincial government earmarked resources to build a suitably skilled and capable workforce and put its weight behind its vision for inclusive growth, they were relieved to count themselves as part of the process too.

Days after being sworn into office, the re-elected provincial government put its vision for education and training into action. It was guided by the overarching principle of aligning education and skills-building with the needs of a forward-looking province. Building on the success unfolding from the previous term, the government reaffirmed its commitment to universal access ECD and basic education, as fundamental building blocks for a lifetime of learning. Of course, they are also essential for the next generation to become active participants in civic and working life.

The leadership noted that citing enrolment numbers was not enough. They take innovative steps to systematically examine the quality of the education, working through the national integrated assessment framework. To ensure full transparency, the results of the assessment were publicly released. Parents actively organised other parents and community members to hold government accountable for underperforming schools.

The drive to reverse the shortage of suitably skilled labour took place on many fronts and levels. In order for the desired synergy to take place, education programmes and skills building had to be in alignment. The enhancement and extension of ABET, strengthening of vocational education and training, coupled with the growth of Transition Centres of Excellence to bridge formal education and training to workplace application meant that young and old, novice and experienced could learn. Educational foresight and economic forecasting were used to ensure that academic subjects were more likely be matched with economic opportunity.

The 2020s were marked for education and training aligned to the Fourth Industrial Revolution.

The more tech-willing individuals jumped onto the low-cost e-learning bandwagon the more opportunities came to the fore. Young people were especially able to take advantage of this type of learning. The development of specialist skills and the expansion of schools of specialisation were in partnership with the private sector. The selection of subjects taught in these training centres were aided by skills demand and supply forecasting that would be useful to industry.

These educational offerings meant that more people are able to realise their full potential because access to this kind of education they need is directly relevant to job and work-life opportunities.

Rollout of the education and training initiatives was taken to learners as much as possible wherever they were. Those already working in state enterprises and government were able to participate in skills development and training because these institutions revived dedicated programmes for their staff. For learners, schools of specialisation working in collaboration with the private sector started to emerge in many townships and other places throughout the province. These learners were matched with employers who sought specific specialisations through these programmes. Learners who participated in incubation programmes are also matched to employers in various sectors, including furniture artisan, chemical, pharmaceuticals and mining.

Deprived and economically excluded communities had long understood the direct correlation between education, poverty, un-

employment and inequality. It was no surprise to anyone that educated and skilled individuals had better prospects for better jobs and the likelihood of escaping the poverty trap.

Signs that system-wide educational improvements were taking place continued to emerge long before 2030. Because the province embraced the principle of lifelong learning, all segments of the educational system were under review in line with the national integrated assessment framework. Accountability and transparency on performance across the entire system improved the quality of education and parents became more informed and involved in their children's learning. Well-informed parents and community members found schools that were substandard unacceptable. They insisted that improvement plans were made and carried out. These corrective processes were supported by the ANC-led provincial government.

The clarion call for inclusive, equitable quality education and promotion of lifelong learning was being answered by the government that came with a vision for inclusive growth in which everyone could participate.

### **Quality healthcare is everyone's business (healthcare for all)**

Healthcare remained one of the biggest strains on Gauteng's budget and services capability.

Yet, despite its challenges, the healthcare system had experienced remarkable achievements in terms of innovations and new surgical capacity. One of the greatest achievements directly affecting patients was improved access to antenatal care, resulting in the decline in reported maternal deaths by more than 8%, and the birth of healthy babies (born into a country that cared about their future).

The 2020s saw the rollout of the much-anticipated NHI throughout the province. Investment in infrastructure that had driven the goal of an integrated economy served the rollout well. Government economic spending dovetailed well with social expenditure to unleash higher levels of dynamism throughout the province. The built environment and technological infrastructure that, amongst other things, undercut spatial inequalities was fundamental in the delivery of better healthcare. People had greater access as new healthcare centres are located closer to home. Ground-breaking for the new district hospitals is also a major development and gave people the sense that the government is working for them.

Non-profit organisations with their direct ties to communities are also essential in helping people navigate the new NHI system. Given the steady improvement in testing for TB and HIV/AIDS over the years, they joined healthcare professionals in adhering to testing as one of their key campaigns. Community support for more and better testing led to promising results for identifying and treating TB and HIV/AIDS. Community members more confidently interacted with the healthcare system to a large degree because community health workers were on the ground, helping them manage their treatment and directly improving outcomes. Peer health workers continued to advocate and mobilise for mental health services as an integral part of healthcare. When it came to public healthcare facilities, they are particularly vocal about these services being integrated into treatment protocols. They initially sponsored small-scale training and support for health professionals. Through their advocacy, these community organisers managed to undertake demonstration projects that successfully led to greater and higher-level training for healthcare professionals. These were some of the training supported by government funding.

The presence and leadership of community health workers led others, especially women, to join their ranks. As they empowered themselves, they also established close working and mutually supporting relationships with healthcare professionals and their management teams. These developments worked well to minimise bureaucratic delay, serve patients quickly and to get better health outcomes. These teams also did what they can to address the growing numbers of people in need of medical care.

Young entrepreneurs saw bottlenecks in the system as possible business opportunities. They were called disruptors because they changed the way things are done, but then provided solutions to problems that seemed intractable.

Despite the desire to broaden access to quality public healthcare, the constant flow of in-migration continued to put a strain on the system and its capacity to properly serve everyone in the province. All existing community health centres were open 24 hours, but they feeling overwhelmed. Community health workers were able to help with some of the more routine medical issues and guided people to clinics rather than to hospital, but more needed to be done to address the pressure on existing facilities.



## Education

The provision of quality education remains the number one priority for the Gauteng government. It is through investing in education, with special focus on our youth, that the potential of Gauteng residents can be fully realised.

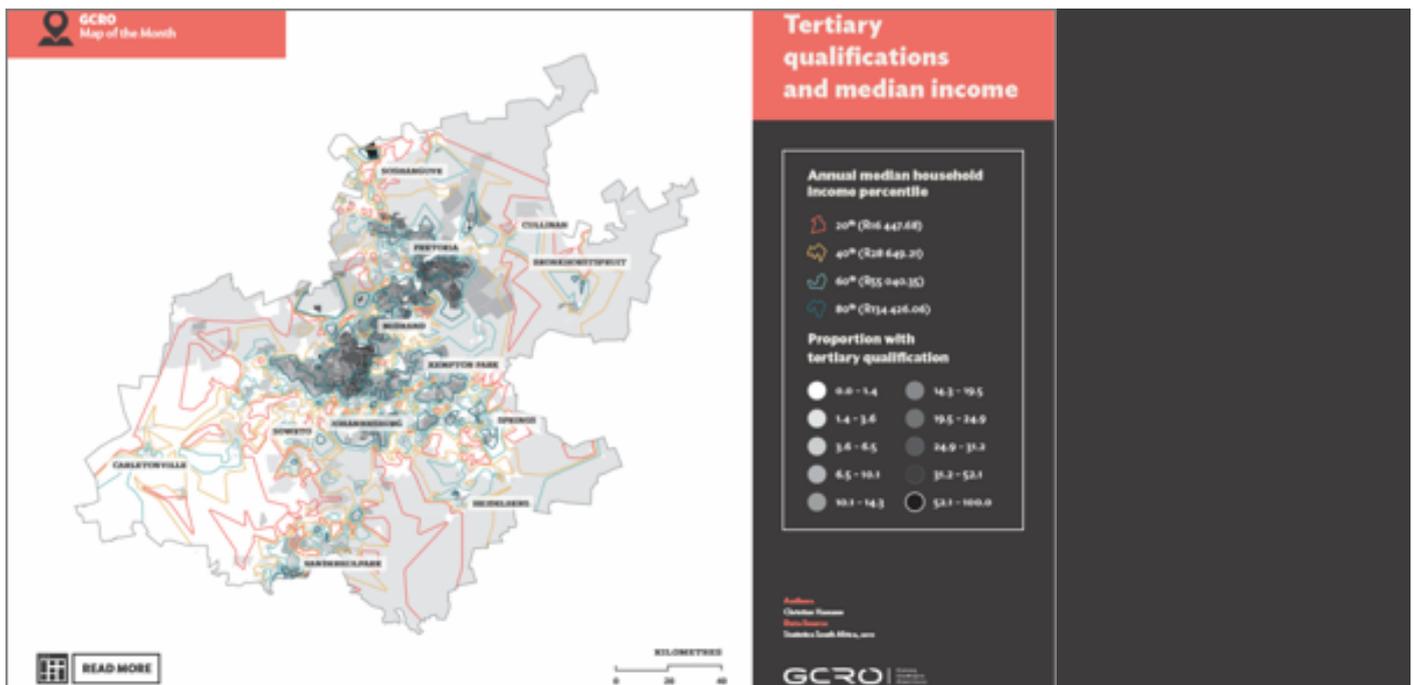
Gauteng continues to provide universal access to basic education. It has also recorded a dramatic increase in the number of people with secondary and post-secondary education. For instance:

- Since 1994, the public education system in Gauteng has doubled in size – from 1.2 million learners to over 2.4 million in 2020.
- In 2017, the proportion of children aged six to 18 attending an educational institution was 96.3%.
- The Gauteng population is well-educated: 75.9% of the people aged 20 years and older have a secondary school education. Of these, 10% have higher educational levels (StatsSA, 2018: 40).

Evidence points to a clear correlation between obtaining tertiary education and achieving higher levels of median household income.

The map on “tertiary qualifications and median income” below provides a spatial reflection of this relationship. It also suggests that it is at the level of tertiary education that the inequality and disparities in the province are most evident.

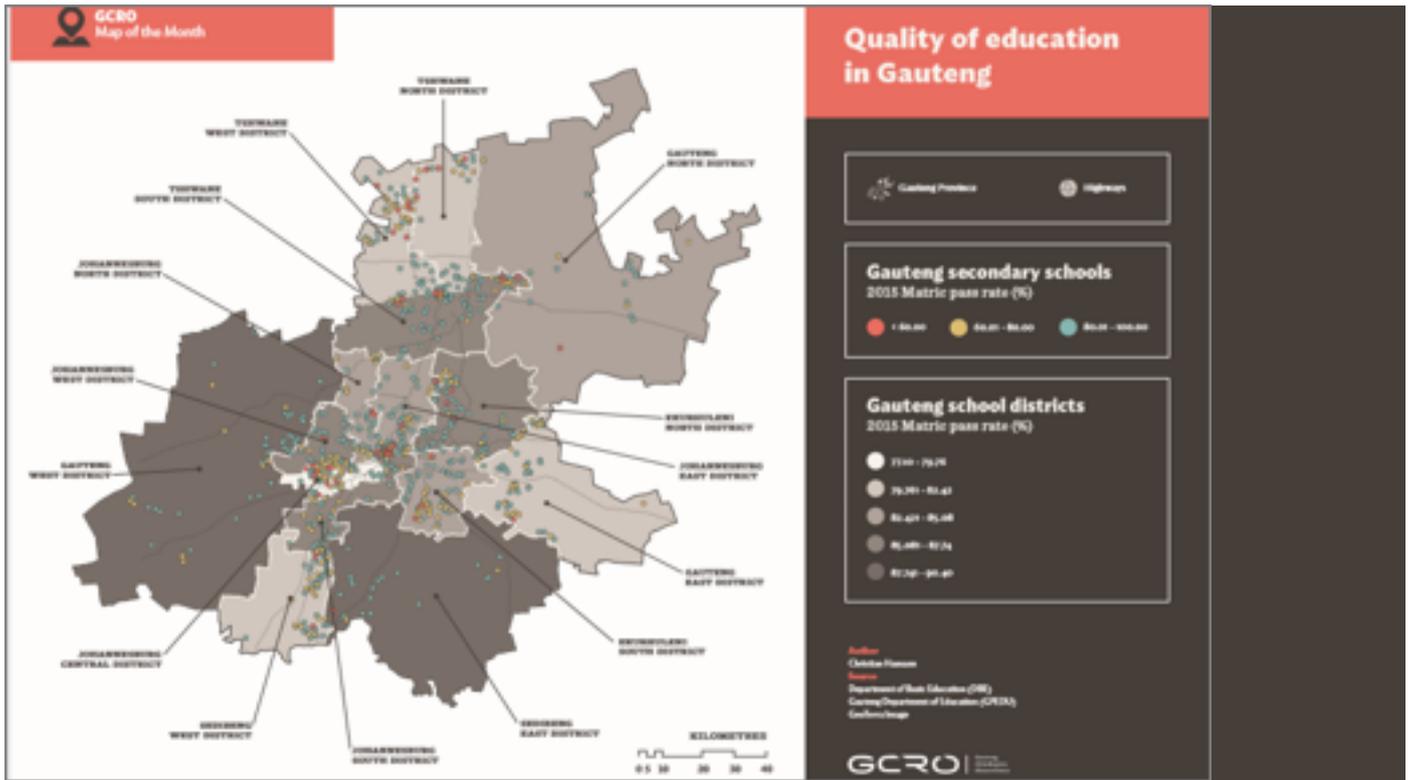
A greater proportion of those located within the urban core have achieved tertiary qualifications – in contrast with those located in areas on the periphery.



Significant effort has been placed on supporting disadvantaged communities through the schooling system.

- In 2017/18, 1 462 233 learners benefitted from the school nutrition programme.
- Also, parents of learners attending 1 406 public ordinary schools benefitted from the No-Fee School Policy (StatsSA, 2019: 36).
- Educational performance of Grade 12 learners was significantly improved, with a focus on modernised curricula aimed at honing skills relevant for the digital economy.
- By 2018, the Gauteng Department of Education (DoE) had established 17 Schools of Specialisation.

Despite these achievements, the quality of education remains a concern. The map below highlights the reality that while two thirds of Gauteng’s schools achieved a pass rate of over 60%, educational quality remains aligned to locations, with many of the more poorly performing schools located in townships and inner-city areas.



At the crucial early childhood development (ECD) level, service provision is fragmented. 'Compounding this problem **is the inadequate quality** of ECD and primary school education.

This places the entire education system at risk. Many ECD centres across the province remain unregistered, which hampers their ability to access financial support, or to obtain the required oversight.

At primary and high school levels, further concerns relate to both the quality of the education provided and the throughput of students through the system.

Even though the provincial pass rate in matric shows an upwards trend – from 84.69% in 2014 to 85.1% in 2017 – this, however, does not reflect the amount of youth who drop out of the system between Grade R and Grade 12.

In improving the education system, therefore, resource allocations also need to cater for adequate support for students with special educational needs.

An additional challenge that we face on a national level is that secondary and tertiary qualifications do not guarantee jobs. There is obviously a persistent mismatch between the skills provided by the education system and the skills required by employers.

**These issues tragically result** in Gauteng's youth suffering unprecedented levels of unemployment, which heightens the risk of them being drawn into a life of crime or drug abuse.

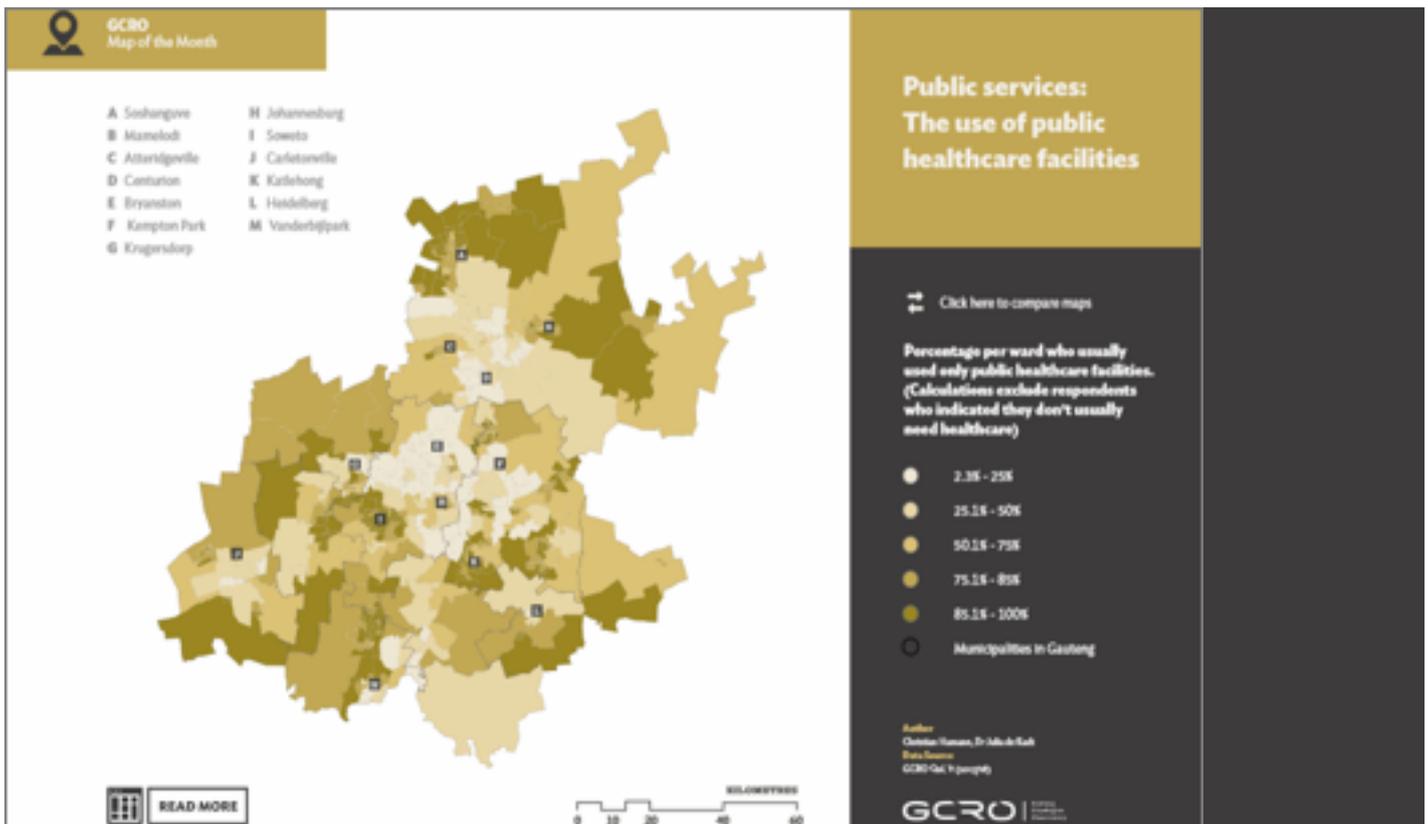
## Healthcare

Gauteng's growing population has created a high and increasing demand for health-related services, which provincial government and its counterparts at local government level cannot always meet. For instance:

- The percentage of Gauteng households which consulted public clinics increased from 59% in 2009 to over 63% in 2018 – with this increase in part attributable to the substantial growth in patient numbers through a combination of natural population growth and inward-migration.
- In a context where there is significant demand placed on healthcare services, the province continues to work towards greater levels of HIV/AIDS and TB control, better maternal, child and women's health and nutrition outcomes, and improved healthcare facilities.
- The Gauteng government has also prioritised primary healthcare for those households that lack access to basic services and whose members often live in poor conditions.
- To meet these challenges, seven hospitals and 40 clinics have been built since 1994, alongside the establishment of a notable number of Centres of Public Health Excellence.

Despite these efforts, access to healthcare (and specifically, primary healthcare) remains highly unequal. The health challenges faced by those who live in deprived areas are often exacerbated by the lack of easy access to high-performing healthcare facilities.

The map below depicts the percentage of QoL Survey respondents per ward who use public healthcare facilities exclusively. This is a clear indication of the heavy reliance on public services by those located within the province's more deprived wards. And it has direct implications for planning in relation to future facilities.



### Other challenges faced in relation to healthcare services include:

- The reality is that the public health system is underfunded, understaffed and poorly maintained.
- There is a growing need for mental health services to be addressed effectively within public hospitals.
- High volumes of medico-legal claims due to medical negligence.
- Low levels of public confidence.
- Staff morale is low.

### In terms of education and skills:

- Prioritised the delivery of system-wide improvements within the education system, with Gauteng's Grade 12 results reflecting our status as "best-performing province".
- Facilitated more equitable access to quality education opportunities for learners across the province, through implementing a more equitable admissions process.
- Improved the throughput rate of township school learners from 42% in 2006 to over 70% in 2016.
- Together with the private sector, established 19 "Schools of Specialisation" across the province's five economic corridors, focusing on critical skills shortages in priority areas.
- Ensured that 120 schools are equipped to cater for learners with special needs, so that no child is left behind as we work to empower the nation.
- Successfully implemented an ICT and e-learning programme, reaching over 300 no-fee-paying secondary schools.
- Completed 40 new schools and prioritised infrastructure development across all school facilities.

### In terms of healthcare:

- Demonstrated healthcare excellence through innovation – with the first-ever middle ear transplant using 3D printing of middle ear parts successfully undertaken at the Steve Biko Academic Hospital.
- Established Centres of Excellence in both Laparoscopic Surgery and Endocrine Surgery at Dr George Mkhari Academic Hospital.
- Recorded a decline of more than 8% in reported maternal deaths – and witnessed an improvement in access to antenatal care.
- Improved TB and HIV screening rates, thereby increasing TB treatment success rates and arming over three million Gauteng residents with knowledge of their HIV status.



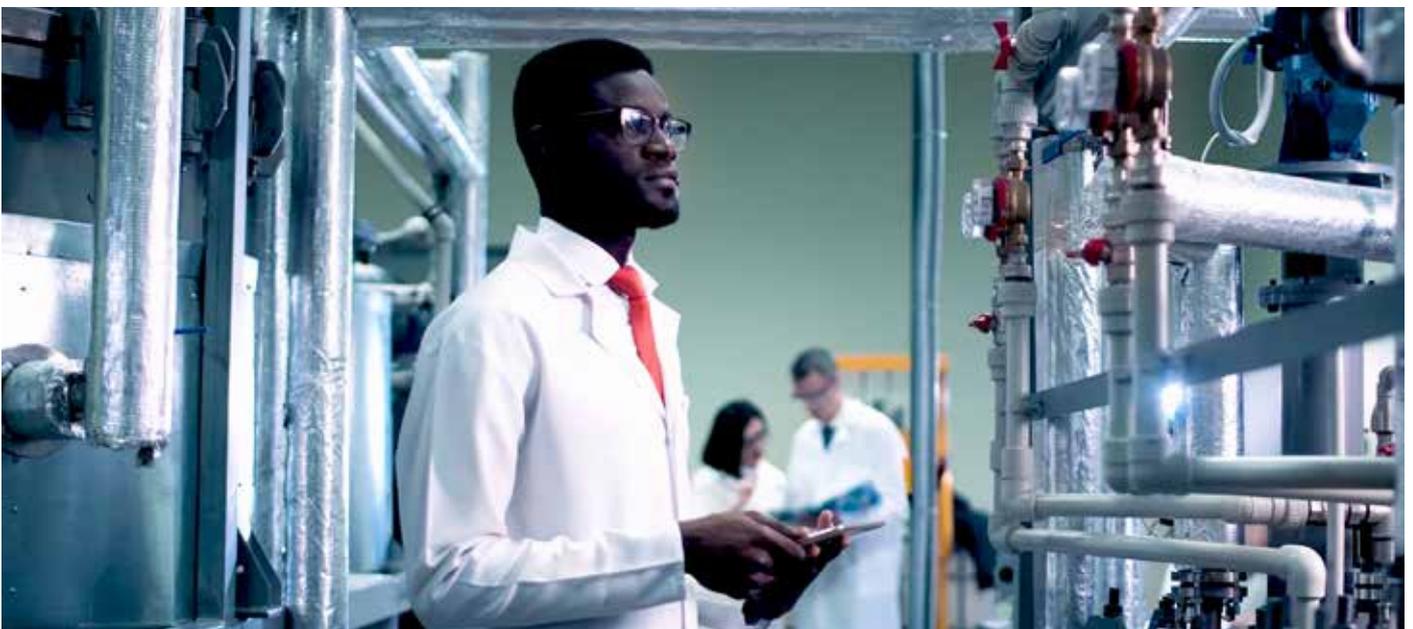
In delivering inclusive quality education and primary healthcare and growing the skills needed for the economy of tomorrow, we believe that our primary focus should be on:

### Education

- Prioritising quality Early Childhood Development (ECD) and primary education as educational foundations that will allow future generations to prosper.
- Targeting the development of specialist skills aligned to existing and future economic opportunities, new frontiers in science, technology and innovation.
- Building working partnerships with Gauteng's network of universities, research institutes and innovation centres to maximise the potential of future generations.
- Ensuring safe, well-maintained and equipped health, education and skills development facilities.
- Build a skilled and capable workforce to support an inclusive growth path through
  - o The alignment between skills/education programmes and industry demands.
  - o Enhancing and extending Adult Basic Education programmes, to ensure that individuals have the skills of the future.
  - o Strengthening vocational and further education and training.
  - o Reinvigorating SOEs and government skills development and training centres.
- o Implementing low-cost e-learning course, including coding.

### Health

- Broadening access to quality public healthcare.
- Create a publicly administered NHI Fund.
- Roll out a health quality improvement plan in public health facilities and ensure that they meet the quality standards required for certification and accreditation for NHI.
- Develop and implement a comprehensive strategy and operational plan to address human resource requirements, including filling crucial vacant posts for implementation of NHI.
- Consolidate nursing colleges into one major college in each province, with a curriculum based on more empathetic bedside nursing.
- Reduce the burden of TB.
- Implement the 90-90-90 strategy to reduce the burden of HIV/AIDS.
- Strengthen maternal health programmes to reduce maternal mortality.
- Expand screening of users of public health services for priority non-communicable diseases.
- Implement intersectoral action to improve food security and nutrition and reduce stunting.



### As the government delivers on the priority actions in education and skills, you will see:

- All children of school-going age have access to, and participate in, quality education.
- Accessible, quality ECD services, the universalisation of Grade R, and a stronger Foundation Phase (Grade R to 3) – supporting learners in achieving functional numeracy, the ability to read for meaning, and a passion for life-long learning.
- Inclusive schooling, with educational opportunities and facilities providing for all school-going learners, including those with disabilities, special educational and medical needs.
- The establishment of accessible, quality technical schools in every district, alongside the launch of an additional 18 Schools of Specialisation – supporting the delivery of skills that match labour market needs.
- A significant reduction in the number of children who drop out of the educational system between Grades R and 12.
- In line with the demand for new skills – and the call for a skills revolution:
  - o Improved support for, and quality delivery of, training through the Technical and Vocational Education and Training (TVET) and Community College Sector.
  - o More learners leaving the schooling system with portable skills, and greater levels of achievement in the STEM subjects (science, technology, engineering and mathematics), and associated skills such as coding and robotics.
  - o Continued delivery of a mass digital learning and digital skills programme, reaching over one million young people, with prioritisation of out-of-school youth.
  - o Ten new integrated digital learning and information centres fully constructed and operational in the province's poorest localities.
  - o Through our partnerships with the private sector, civil society and academia, more institutions of learning and research offering apprenticeships and vocational training, and developing the innovative savvy, technological knowledge and digital skills our people need to thrive within the knowledge economy and the Fourth Industrial Revolution (4IR).

### As we deliver on our priority actions in healthcare, we will see:

- The transformation of public healthcare experience in Gauteng.
- Greater access to quality healthcare for all, with delivery supported via the rollout of the NHI within the province, technology, and the involvement of other role-players such as non-profit organisations (NPOs).
- 90% of clinics, community health centres, districts and regional hospitals meet the ideal clinic standards within five years (i.e. facilities that open on time, are patient-friendly and safe, and are supported by adequate medicine supplies and clean equipment).
- 24-hour services provided across all 32 community health centres.
- Eleven new primary healthcare centres fully constructed and operational, and the construction of a new district hospital completed.
- Delivery on HIV and TB 90:90:90 targets (90% of patients knowing their status; 90% of patients receiving treatment; 90% of patients with viral load suppressed).
- Delivery on the UN's Sustainable Development Goals (SDG) target of <8.5/1000 neonatal mortality rate, with significant progress towards the achievement of SDG targets relating to the mortality rate for infants and children under five years.
- Quality mental health and rehabilitation services integrated into all public healthcare facilities, supported by the necessary training and support of health professionals, and effective delivery of community awareness campaigns on issues of mental health.
- Empowerment of healthcare facility management teams with resources and decision-making authority to serve patients and fast-track delivery, without bureaucratic delays.
- Results from citizen satisfaction surveys undertaken across all province-wide healthcare facilities highlighting positive experiences of the care received – with respondents indicating an overarching sense that all who work within the sector are focused on delivering a professional service, and supporting the well-being of all healthcare users.



## **INTEGRATED HUMAN SETTLEMENTS AND LAND RELEASE:**

If we are ever to realise our promise of providing economic and social opportunities for all who reside in Gauteng, then solving the age-old challenges of spatial fragmentation and spatial inequality must be prioritised so as to eradicate the poverty in our townships.

If we are ever to realise our promise of providing economic and social opportunities for all who reside in Gauteng, then solving the age-old challenges of spatial fragmentation and spatial inequality must be prioritised so as to eradicate the poverty in our townships.

Facilitating access to social and economic opportunities through spatial transformation and prioritising well-located, inclusive communities, so that by 2030:

- All the people can reside in well-built homes that are situated in safe, clean and cared-for environments, with all the conveniences and services they need being close at hand.
- That they can live close to their places of work, without having to make long and expensive journeys twice a day.

### **Nayi le walk – a province in step with itself and the nation**

It's 2030 and we're looking back at what's been achieved.

In 2019, marchers took to the streets to demand housing. Nobody needed to be reminded of the horrendous stories of people waiting for years for government-subsidised housing. The backlog was real and growing daily.

This single issue placed the vision for an inclusive and integrated province squarely in the spotlight. High on the agenda to transform spatial inequalities in terms of economic activity were promises of mega projects for hubs and corridors as a means to address the housing shortages. In line with its spatial plan (GSDF), the provincial government started to spread growth beyond historic industrial and core areas. Yet, these efforts are not enough to address mounting housing needs.

Even as the provincial government looked ahead at the development projects that were transforming Gauteng's landscape, people were unwilling to wait for the megaprojects to unfold. Protesters with more immediate demands for housing asserted that government either took the lead or be left behind.

The government acknowledged that it could not keep pace with the vast demand for housing. In a bold move, it instituted the RLRP. This government response to people's overwhelming refrain "Give me land and I will build" was exactly what people wanted to hear. The RLRP had popular support.

Shortly after taking office, almost half of the promised 100,000 serviced stands were identified. They were earmarked to be distributed to the backlog of people in need. Implementation began immediately with the initial release of 48,000 serviced stands. People were ready to build and find support from municipal and provincial government to ensure that the stands were put into residential use in a safe and efficient manner. Some newly titled landowners used their acquired skills from prior learning and many relied on collectives and other small-scale entities supported by business incubators to help them design, connect to services and build properly constructed dwellings at no or low cost.

An additional 50,000 more stands were identified for release and were soon put into the pipeline. As the municipalities and provincial government learnt how to streamline the process, the identified stands were made available at a faster pace. Fewer lands lay vacant and the lawlessness of land invasion happened less frequently.

Municipalities and the province found ample reasons to urgently remove title deed bottlenecks. Legal and administrative infrastructure was brought to bear on the problem of title deeds so that people could take possession of the land that was allocated to them. Immediate efforts were made to engage with critical stakeholder entities like the Deeds Office, Social Housing Regulatory Authority and the National Home Builders Regional Council (NHBRC) to deal with title deed backlogs.

In the spirit of releasing land for immediate use by people who wanted to build their own homes, the provincial government also fast-tracked the release of unutilised government buildings, abandoned factories, municipal shops and land for urban agriculture to entrepreneurs whose use of them would help grow the economy and create jobs.

Bold decisions to release land to those who wanted to build their own houses did not slow down the need for development in underserved, informal and sprawling communities. In the run up to the May 8 elections, Alexandra residents blockaded roads to

Sandton to protest the lack of housing and service delivery. Early in their second term, the provincial government promised to address stalled and failed housing renewal projects. Unfortunately, failed multi-million-rand projects had left needy communities with a bad taste for government promises. People did not want more of the same and insisted on accountability.

Personal visits by the Premier were an important step to show government's commitment. Additionally, companies that failed to deliver on NHBRC projects were blacklisted and barred from future projects. Yet, some remained sceptical, until making good on promises to complete housing renewal projects in Alexandra, Evaton, Kliptown, Kerkersdal and Winterveldt did much to ease the housing backlog in these areas, giving residents some relief.

Municipalities continued to do work on the upgrading of informal settlements. In doing so, they curtailed the land invasions that threatened to make informal settlements a permanent feature.

Moreover, mayors received support to improve service delivery to these areas. It was recognised that informal housing on the periphery of the cities was a problem because rapid urbanisation challenged the capacity of municipalities to deliver basic services. Yet, the provincial government insisted on improved service delivery, especially to ensure that people had clean drinking water, clean energy, decent housing and sanitation.

The bold plan for mega human settlements started to unfold in the late 2020s. After securing government funding, urban planners took advantage of the number of headline projects and major investors lined up to make the integrated province a reality. The 2020s were humming with the sound of construction throughout the province. Future housing took shape in all parts of the province, as these projects got underway. Gauteng Province was set to undergo housing growth and revitalisation with the development of province-wide corridors and township economic hubs. As Gauteng was redefining itself, new neighbourhoods connected with a number of recent and upcoming projects in the province to take their place on the thriving economic grid. This was an important reversal of the warped apartheid urban planning. Many of these vast sites remained underutilised but were now selected for development.

The mega human settlements started to change the spatial landscape of the province. Basically, they were too big to fail. Still, because they are undertaken in partnership with the private sector, they are sometimes delayed, like the development of the Vaal River City and Lanseria City. Signing land availability agreements and acquiring adequate funding from their private sector initiators put these projects back on track.

Redefining the province was expenditure that was now dedicated to areas that had previously been overlooked. Suburbs were re-imagined and received the lion's share of investment capital. Now, as the projects reached critical mass, the ability to expand into previously unused land meant more housing, more businesses, mixed use options and greater momentum for more development in the province.

The housing shortage also reflected the lack of affordable rental units. The market was begging for more units. People devised backyard dwellings as a solution. They were only part of the imbalances and distorted settlement patterns. They posed challenges economically and for social integration, urban management and sustainability. Yet, the provincial government recognised they were a testament to people responding to the need, taking matters into their own hands, and being entrepreneurial.

The provincial government decided to work with municipalities and partner with the private sector to provide affordable lending to property owners to upgrade their backyard rooms. By endorsing backyard rentals, the provincial government was able to provide some oversight regarding the safety of these dwellings. They are also better able to ensure basic service delivery, transport infrastructure and the provision of public amenities like clinics and schools to the people who lived in these structures.

We saw the gradual erosion of past spatial inequalities. Settlements that had been at the periphery of cities, with poor access to social amenities, were slowly being abandoned as new housing options became available in mega human settlements that offered better living environments. Yet, even existing informal areas are being integrated onto the socio-economic grid to ensure more effective service delivery and better economic opportunities.

As with other parts of South Africa, Gauteng continues to reflect the spatial inequalities caused by apartheid planning, despite significant work undertaken to date.

- Gauteng has provided homes to nearly four million people, with the GPG delivering 1.2 million subsidised houses since 1994.
- Between 2014 and 2017, the province delivered 60 430 housing units and 28 000 serviced sites (GPG, 2018b).
- Over 8 000 title deeds have been handed over to appropriate beneficiaries, giving them far greater financial security and the ability to use these properties as economic assets.
- The centrepiece of Gauteng’s approach to human settlements is the “Mega Projects: Clusters and New Cities” policy, which prioritises the establishment of large-scale integrated housing developments close to townships and informal settlements in Gauteng (GPG, 2019a: 23).

Yes, there has been significant progress in the provision of housing, but the rapid population growth has resulted in increased demand for shelter and basic services. Currently, the housing needs register sits at more than one million (GPG, 2019b).

**Other high-level service delivery challenges include:**

- A lack of integrated planning and development across all spheres of government – impacting on the alignment of bulk services and other amenities.
- Limited availability of affordable, well-located land. The land question must be addressed – with access to well-located land being critical in the fight against spatial fragmentation and apartheid planning.
- Ongoing spatial fragmentation, urban sprawl, spatial inequality and informality – with this requiring focus on alternative approaches to planning and development.
- Corruption and maladministration.

The movement of people into Gauteng in search of work, coupled with natural population growth, has resulted in a rapid increase in informal housing, most often on the periphery of cities.

This rapid urbanisation challenges the capacity of municipalities to deliver basic services.

Gauteng faces high concentrations of unemployed people living in informal dwellings which are a considerable distance from economic opportunity and services, which presents a myriad of socio-economic problems. The two maps below illustrate the growth in informal housing between 2001 and 2016.



In parallel with the growth in informal settlements, Gauteng has experienced the mushrooming of informal dwellings in the backyards of formal housing. These dwellings are estimated to have grown from 13% in 2001 to 24% in 2016.

Backyard dwellings provide housing in the absence of available affordable formal housing, while also providing viable sources of additional rental income for households.

However, such arrangement can be rife with uncertainties: being located on unstable land; offering inadequate security of tenure to occupants; exposure to natural disasters, health risks and high levels of crime.

The imbalances and distorted settlement patterns pose challenges not only economically but also for social integration, urban management and sustainability.

They also cause inefficiencies in the delivery of basic services and transport infrastructure, as well as the unfair provision of public amenities such as clinics and schools.

Industrial parks and business centres are spread widely throughout the province. But so are the 152 townships which were planned with zero regard for residents having easy and convenient access to their places of work.

**To address these acute issues, we have developed a detailed spatial plan, GSDF 2030:**

- Economic growth is spread widely, beyond the core areas.
- Neighbourhoods that provide safe, high-intensity and high-density housing and leisure areas.
- Regions that were once seen as marginal, rural and peripheral are now desirable urban villages with dynamic economies.
- Differences in income are far less severe, and even those who earn the lowest incomes are living a life of dignity they deserve.
- More compact homes that mean less expensive services and reduced maintenance and upgrading costs.
- Unbuilt areas are protected and used for agriculture, agro-processing, leisure pursuits and tourism. All of which makes the province an energy-efficient, less wasteful, less polluting, urban environment (GPG, 2019a: ix).

**In line with GSDF 2030, the province is already committed to a set of development objectives, as outlined below.**

#### **Box 1: Ten high-priority development objectives**

- Intensify hubs, public transport routes and stations, to optimise the benefits of those networks and corridors.
- Strengthen, maintain and enhance hubs, as identified by each municipality, to ensure that development takes place.
- Promote spatial integration and township regeneration, using land banking and government land assets, and support for urban hubs.
- Manage municipal urban growth, by enforcing boundaries, to reduce sprawl, manage infrastructure expenditure and ensure socio-economic integration.
- Expand and integrate municipal BRT networks, to achieve greater connectivity between major centres, hubs and settlements with low economic activity.
- Enhance major road and rail networks, to ensure greater connectivity and a balanced provincial spatial network.
- Provide multi-pronged sustained support to outlying residential areas developed during colonial and apartheid areas, including human capital development, mobility support and local economic development programmes.
- Actively manage and protect the environment and eco-systems, including rehabilitating degraded areas and exploring legislating a provincial green belt.
- Improve and optimise provincial tourism opportunities.



**In delivering houses and provide shelter and spatially transform spaces, the following has been done;**

- Developed housing units in five corridors: 700 units completed in Fleurhof, in the Central Corridor; over 400 housing units constructed in Hammanskraal West, in the Northern Corridor; over 300 units developed in Westonaria Borwa, in the Western Corridor; over 120 units developed in Savannah City, over 30 houses developed in Ratanda, and over 60 houses developed in Sicelo Shiceka (all in the Southern corridor).
- Launched seven new mega housing projects in Ekurhuleni (Leeuwpoort, Daggafontein and John Dube), West Rand (Montrose and Elijah Barayi), Johannesburg (Riversands View) and Tshwane (Rama City).
- Approved 31 new mega settlements for all the five development corridors of City Region. These projects will yield more than 700,000 housing opportunities over a five-year period.
- Attracted private and public sector investment of more than R100 billion through the mega housing settlements and post-apartheid cities project.
- Delivered 95,711 housing opportunities over the four-year period (2014/15 to 2017/18).
- Acquired a land parcel for housing settlements development (in 2017/2018), with a yield of 128 hectares, and acquired a total of three land parcels in 2014/2015 for use in addressing housing developments, with these holding a yield of 312 hectares of land.
- Introduced the RLRP which makes land available to South Africans who want to build houses for themselves and establish their own enterprises.
- Disbursed over 3,700 subsidies through the Finance-Linked Individual Subsidy Programme (FLISP).
- Provided over 8,000 title deeds to deserving beneficiaries through the transfer of residential properties.
- Developed the Gauteng Spatial Perspective 2030 in line with government legislation.
- Developed and approved the Gauteng Backyard Housing Policy, which was endorsed in October 2015.



**As the government works to build a spatially inclusive Gauteng that supports social and economic opportunities for all residents, it will focus on:**

- Providing serviced stands, with a set of standards for the houses that are to be built.
- Delivering inclusive mega housing developments, supported by improved access to basic services and connectivity.
- Fast-tracking delivery on urban renewal projects and incomplete housing projects.
- Growing the affordable rental market.
- Enabling access to housing in the province for all.
- Providing resourced shelters and relief support for women and girls, including the provision of programmes designed to heal victims of trafficking and rehabilitate them into society.
- Providing security of tenure through the issuance of title deeds, including title deeds for women, youth and persons with disabilities.
- Releasing unused government buildings and land for development, economic growth and job creation.
- Upgrading of informal settlements.
- Expanding access to and ownership of land.
- Offering accessible facilities for children with disabilities.
- All new spatial development and refurbishment of human settlements meeting the principles and national standards of universal design and access, making the built environment and its transport requirements accessible to all.



**As we deliver on our priority actions in housing, we will see a total of 128,803 housing opportunities be created through the following programmes:**

- 77,314 new houses built by the Mega Housing Settlement Projects by 2023/2024.
- 43,503 housing opportunities through the Legacy Projects by 2023/2024.
- 7,986 housing opportunities created through the Social Housing Programme by 2023/2024.
- The development of mega housing settlements across the province, namely Vaal River City and Lanseria City.

**As we deliver on our priorities in housing projects, we will see developments in the following areas:**

- Alexandra
- Bekkersdal
- Evaton
- Kliptown
- Winterveld

**As we deliver on our priorities in housing, we will see:**

- A total of 15 hostels within the five regions converted into family units.
- Unused government buildings and land being released for development, economic growth and job creation.

**As we deliver on our priorities in targeting Rapid Land Release, we will see:**

- A total of 100,000 serviced sites released as part of the RLRP to beneficiaries and developers.

**As we deliver on our priorities in supporting the upgrading of informal settlements, we will see:**

- A total of 181 informal settlements upgraded in the West Rand and Sedibeng, in accordance with the Upgrading of Informal Settlements Programme (UISP) grant.

**As we deliver our priorities in providing the issuance of title deeds, we will see:**

- The eradication of the backlog of 155,188 title deeds as part of the commitment to clear the title deeds backlog by 2023/2024.
- The issuing of 44,339 new title deeds to beneficiaries of current housing projects by 2023/2024.

As Gauteng works to shift its current spatial housing development realities, it will prioritise delivery on the GSDF 2030, with all developments adhering to the six spatial development principles included therein – as reflected in Figure 11 below.





## SAFETY, SOCIAL COHESION AND FOOD SECURITY:

Ensuring that the most vulnerable members of our society are protected from any harm.

Ensuring that everyone feels safe and secure. Ensuring that everyone new to our province is welcomed warmly. Ensuring that we build a society in which racism, sexism, xenophobia, homophobia and any form of behaviour that demeans or humiliates others is never tolerated.

And, above all, ensuring that no one goes to bed hungry.

We must ensure that the most vulnerable members of our society are protected from any harm. This includes ensuring that everyone feels safe and secure, that everyone new to our province is welcomed warmly, and that we build a society in which racism, sexism, xenophobia, homophobia and any form of behaviour that demeans or humiliates others is never tolerated. Above all, we must ensure that no one goes to bed hungry.

### **Nayi le walk – a province in step with itself and the nation**

It's 2030, and much has been achieved.

Strategic planning in the province was now bearing fruit and signs of moving in a positive direction started to take shape.

With the economy in full swing, people could more fully enjoy the events and activities in the province that are specifically designed to strengthen social cohesion at the civic level. They could also get that good feeling in knowing that their provincial government has undertaken measures to ensure that food security, education and personal safety were treated as key components of social cohesion.

If there was one thing that the people had made clear to their provincial leaders, it was that social cohesion could not be built on high rates of poverty, unemployment and inequality. Now that the province was making a concerted and strategic effort to combat these serious problems, people were more willing to fully embrace social cohesion as an important and attainable aspiration. Support for broad initiatives, like Tshepo 1Million that focuses on youth employment, and youth ownership through co-production of social spaces went a long way to restore hope. Expanded connectivity and libraries of the future empowered young workers



and entrepreneurs to reach their full potential. Programmes like Tshepo 1Million were taken to young people in their communities. These services are also linked to the revitalisation of the township economy as well as sector-based initiatives in development corridors.

These efforts are also coupled with the important signals from the provincial government that safety was a top priority. With more and better equipment, increased police presence over the last decade was deliberately aimed to restore community safety. Yes, roadblocks were sometimes inconvenient, but residents saw that they are necessary and that something was being done to make communities safer. Women and girls saw the difference that gender-based violence prevention was making and are increasingly able to live, work and go to school less stressed about their safety. Other vulnerable communities like seniors and members of the LGBTQI community still wanted more to be done, but they noted definite improvements in safety. Government action reduced crime across the province. And, not surprisingly, news about increased police presence, improved police professionalism and safer city streets spread internationally as visitors and tourists took to social media to talk about safety in Gauteng.

More and better Community Policing Forums emerged in the early 2020s to provide greater oversight and promote transparency. Forum members received training to support their efforts and police service delivery was made better for it. While forums were especially valuable for ensuring that the police were accountable to the communities they served. They also recognised and formally acknowledged professionalism within the ranks. Community support was mobilised in crime detection and preventative action. Because they monitored the effectiveness and efficiency of police in the communities, they were well positioned to question or validate whether police needed more equipment or personnel to do their jobs efficiently.

Service delivery was still a concern, even if the province was able to provide most of its people with basic services. Rollout of service delivery was tied to the integration of the entire province, and to specific initiatives that related to housing, schools, healthcare and other social expenditures.

Similarly, food insecurity triggered an activist provincial government. Concern for children and adults who were deprived of food due to poverty gave rise to food security programmes. Over two million children and adults in the province that had gone to bed hungry started to receive benefits from the rollout of food security programmes that were firmly in place by the mid-2020s. People received this type of assistance either in their communities, in schools or wherever they were most directly served.

Large-scale planning supporting farmers and the agro-processing sector also had a component that addressed food security. Farmer support assisted food security initiatives and empowered vulnerable members of the community through the delivery of food gardens. Tens of thousands of households benefited from food security initiatives, and approximately 2,000 women benefited from community food gardens.

Additional support for poor households was multi-dimensional. Some of the initiatives included school uniform programmes, reaching one million learners from poor households; seven million girl learners who received dignity packs; 100,000 young women supported through the welfare-to-work programme, and the EPWP provided employment for poorer households. EPWP continued its track-record of strengthening the long-term unemployed with skills to access better employment opportunities.

Until the implementation of plans to create an integrated, equitable and globally competitive province, slow growth, stubborn unemployment and high levels of inequality all conspired to increase social tensions that undermined the state's legitimacy. Trust in the government was shaken when its ability to protect the population was undermined. Public servants at all levels worked in tandem with active and engaged citizens who were, in fact, the greatest safeguard to a responsive and accountable state.

Consider the 146,729 people in Gauteng who work in the creative and cultural sector. Add to that the many sporting icons that play and reside in Gauteng. What we are gifted with is a firm foundation for a more socially inclusive society.

This is why the province has invested significantly in sports and cultural programmes over the years – there is simply no better way to bring people together.

There is also little doubt that a united province goes a long way in building safe and cohesive communities – communities that are socially inclusive that reflect all who reside in them.

**In terms of basic services and housing that also add to cohesiveness, Gauteng is, according to the QoL Survey (2018/19), well served in terms of:**

- Access to formal dwellings at 81%
- Piped water at 91%
- Electricity at 92%
- Sanitation at 91%
- And refuse removal at 83% (GCRO, 2019b).

### POVERTY

However, that is not the full picture. Gauteng also has many vulnerable residents. These include people struggling to find jobs and people deprived of basic services such as healthcare and education as well as the infrastructure and opportunities most of us take for granted.

It is a level of inequality that works against cohesion and heightens tensions. Moreover, there is a significant relationship between infrastructure development and socio-economic deprivation (Mushongera et al., 2018:9).

A lack of access to basic services and housing is often at the heart of community dissatisfaction (Siteleki, Ballard & Mosselson, 2017).

While most of Gauteng's residents receive an array of basic services, many other challenges remain underserved.

Poverty in Gauteng is multi-dimensional, with provincial challenges exacerbated by rapid urbanisation and a growing population.

The South African Multi-dimensional Poverty Index includes nine indicators, reflecting the reality that fighting poverty requires a multi-pronged approach. The indicators relate to the following areas:

- Housing
- Water
- Sanitation
- Energy
- Communication/assets
- Food/hunger
- Unemployment
- Schooling (GCRO, 2019b)

An analysis of each of these indicators provides a picture of the well-being of households in Gauteng, with this assessment being essential in the fight against poverty.

Between 2000 and 2005, the welfare of Gauteng households improved. However, by 2010 poverty had worsened, and African-headed households were the hardest hit (ibid, 2018:17).

These dynamics were replicated throughout South Africa (StatsSA, 2017:16). Race and gender continue to remain the markers of poverty in Gauteng.

## THE YOUTH

Unemployment affects young people the most, with 2.7 million young people not in employment (ibid, 2018:41).

Young people bring energy and creativity to the province through, amongst other endeavours, sports and culture.

In 2014, 18% of creative sector employees in South Africa were aged between 19 and 24, while 19% were aged between 25 and 30 (GPG, 2019).

## HUNGER

Food security in Gauteng remains a great concern. In the GCRO's 2017/18 QoL Survey, results reflected a reality where 21% of the survey respondents had an adult in their household who had skipped a meal in the past year due to a lack of money.

Equally concerning was the 21% of survey respondents indicating that a child in their household had gone hungry in the past year due to lack of money (GCRO, 2019a).

## CRIME

Across the board, Gauteng residents agree unequivocally that the high level of crime is the biggest threat to personal safety.

The statistics for 2019 indicated some worrying trends, especially with gender-based violence (GBV).

- **Murder increased by 6.2%.**
- **Robberies at residential properties increased by 3.7%.**

However, there were some improvements:

- **Car hijackings decreased by 6%.**
- **Cash-in-transit robberies decreased by 22.5%.**

Increasingly, crime is also spilling into schools, with real concerns around safety of learners caused by violence due to gangsterism, drug use and the alarming trend of students taking weapons to school.

## XENOPHOBIA

Regardless of our proactive efforts in celebrating our diversity and building inclusivity, social cohesion and nation-building through cultural and sporting events, the devastating resurgence of xenophobia reared its ugly head in 2019.

Extremely worrying were some of the responses to questions pertaining to foreigners in Gauteng in the GCRO's 2015/16 QoL Survey.

Some 23% of respondents agreed with the statement that "Gauteng should be for South Africans only. They must send foreigners back to their countries" (GCRO, 2018b:3).

It is an attitude that demonstrates the stark reality of xenophobia that exists in the province, which needs to be addressed most urgently.

- Saw a 10% reduction in overall provincial poverty (from 38% to 28%) over the last five years, as measured by the percentage of QoL Survey respondents who are from households living below the poverty line.
- Focused on alleviating child poverty, through initiatives such as the provision of free school uniforms and dignity packs to children in need.
- Reduced the number of underperforming police stations across the province (from 40 to less than eight) following the re-introduction of the Gauteng Information on Police Performance System (GIPPS).
- Improved turnaround times for processing of GBV cases, from an average of five years to between one-and-a-half to two years – and increased associated convictions.
- Improved vehicle recovery and arrests linked to stolen cars and high-speed vehicles, with efforts supported by the introduction of the Automatic Number Plate Recognition system within Gauteng Traffic Police (GTP) vehicles.
- Closed more than 100 illegal drug laboratories across the province, established three rehabilitation treatment centres (Chris Hani Baragwanath Hospital, Sterkfontein Hospital and Witpoort Care Centre), a halfway house (Witpoort), mobile treatment services for those in peri-urban, rural and informal settlement areas, and the Soshanguve Centre of Excellence (offering skills development for recovering drug addicts).
- Expanded sporting, arts, cultural and development opportunities across the province such as the annual Nelson Mandela Remembrance Walk.
- Provided sporting equipment to over 1,100 no-fee paying schools; delivered six new libraries.
- Provided support to the film and television industry through the Gauteng Film Commission's Industry Support and Development Programme.



**In delivering the priorities of a safer, more inclusive and equal Gauteng for all, the government will focus on:**

- Developing initiatives that target a significant reduction in poverty, inequality and unemployment, such as Tshepo 1Million, and welfare to be upscaled.
- Creating a platform for youth ownership of our province through the co-production of social spaces – building sporting, arts, cultural and development opportunities.
- Improving policing and community safety efforts, with a particular emphasis on GBV and supporting the rights of women, youth, senior people, people with disabilities, military veterans and the LGBTIQ+ community.
- Establishing a Gauteng that allows all to reach their potential, belong and be free of all forms of discrimination.
- Establishing a GBV and femicide council led by the Premier.
- Strengthening effective partnerships with non-governmental organisations and all relevant agencies to promote an integrated and holistic approach to the elimination of violence against women and girls.
- Fully resourced shelters and relief support for women and girls, including the provision of programmes designed to heal victims of trafficking and rehabilitate them into society.

**As the government delivers on our priority actions for initiatives to reduce poverty, inequality and unemployment, we will see:**

- A “single-window” urban poverty and hunger elimination strategy implemented by 2030 – with improved targeting via a multi-dimensional, integrated approach.
- All formal ECD centres registered, with financial support provided to 1,700 centres to support an extra 200,000 more children over the next five years (in addition to the 480,000 with access to ECD opportunities, especially in deprived communities).

**As government delivers on our priority actions in creating a platform for youth ownership of our province through the co-production of social spaces – building sporting, arts, cultural and development opportunities – we will see:**

- A total of 15 “libraries of the future” delivered (complete with improved infrastructure and integrated library, sports, heritage, arts and development facilities).
- A total of 40 libraries enhanced as “hubs of connectivity” plus the construction of five new libraries.

- The culture of reading inculcated through 100 reading programmes implemented in hospital libraries, and 460 book trollies delivered to no-fee schools.
- A comprehensive school sports and arts programme implemented across the province, with 2,250 schools provided with standardised equipment and attire:
  - o 3,890 learners supported to participate in the National School Sports Championships.
  - o 20 integrated holiday programmes and 150 “Legends” programmes in art and sports delivered.
  - o 30 Regional Premier’s Games hosted.
  - o 3,000 trainee practitioners supported in the arts, cultural, library and sport sectors.
- Greater opportunities for communities to benefit from equitable access to sports and recreational facilities, including:
  - o 40 new sporting facilities constructed (with concentrated delivery in the West and South Corridors).
  - o Completion of the Bob van Reenen Stadium, Westbury’s “Operation Mabaleng” (multipurpose sporting centre).
  - o And development of the NASREC precinct.
- Gauteng positioned as the hub of Africa’s creative and cultural industries through the training of:
  - o 350 DJs.
  - o 1,000 choral conductors.
  - o 200 Basetsana scriptwriters and directors.
  - o 1,000 emerging film makers in script writing and directing.

### **As the government delivers on our priority actions in improving policing and community safety efforts, we will see:**

- Improved policing, greater collaboration between public and private law enforcement agencies through the Eyes & Ears programme.
- Increased investment in modernised and technological advancement crime fighting systems, infrastructure, vehicles, drones and cameras.
- Improved safety outcomes achieved through greater oversight of policing service delivery as carried out through the 142 police stations and Community Policing Forums (CPFs).
- The training of 4,234 CPF members, and increased police visibility, specifically in high-crime areas.
- An increase in the use of proactive joint operations through operation “Okae Molao” by all law enforcement agencies, integration of technological advancements and tools into safety efforts, an emphasis on priority crimes and stronger coordination with the criminal justice sector.
- A 62.5% reduction in crime across the 40 priority stations within five years, with short-term emphasis on Langlaagte, Dobsonville, Ivory Park, Akasia and Kempton Park as the poorest-performing police stations and policing precincts.
- Four quarterly GIPPS engagement sessions completed with 40 priority stations.
- School safety prioritised, with policing efforts targeting the schools worst affected by gangsterism, violence and drugs.
- Psycho-social support provided to no fewer than 50,000 survivors of GBV, focus placed on closing at least 6,000 GBV cases, and support interventions also extended to institutions of higher learning.

### **As the government delivers on our priority actions in addressing poverty at a household level through multiple interventions, we will see expanded multi-dimensional support programmes for poor households:**

- Food security programmes reaching two million food-insecure people by 2024.
- The school uniform programme reaching one million learners from poor households.
- A total of 7 million girl learners benefitting from dignity packs.
- A total of 100,000 young women supported through the welfare-to-work programme, and EPWP programmes targeting poorer households – strengthening them with skills to access better economic opportunities.

### **As the government delivers on our priority actions in establishing a Gauteng that allows all to reach their potential, we will see:**

- One million people participating in national day celebrations, with 36 national commemorative days and five Gauteng Heritage Carnivals hosted.
- A total of almost 50 geographical name changes have been implemented.
- A total of 15 heritage monuments and museums promoted and supported.
- A total of 100 dialogues delivered – providing the opportunity for meaningful engagement and discussion on topical issues, including racism.



## **A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE:**

By 2030, the people will actively drive initiatives to improve their lives. Supporting, encouraging and delivering for them will be an accessible, caring, capable developmental state.

### **Nayi le walk – a province in step with itself and the nation.**

By 2030, the people will actively drive initiatives to improve their lives. Supporting, encouraging and delivering for them will be an accessible, caring, capable developmental state.

In 2019, when the provincial leadership embarked on its GGT2030 vision, older public servants throughout province were reminded of the vibrant period in the early days of the democracy. The current buzz and outpouring of energy and enthusiasm by government workers at all levels was something they thought they would never see again. But now, joining their younger colleagues, they renewed their enthusiastic commitment to serving the community.

Until then, the loudest protests outside government offices were those demanding better service delivery. Under plans to build a seamlessly integrated globally competitive province, resolving service delivery problems in communities and fast-tracking infrastructure projects took off. The government recognised that provincial government and municipalities were crucial in implementing the vision and delivering services that underpinned the planned integration.

Provincial leadership took an activist approach to governance where MECs and HODs signed performance and delivery agreements based on implementation plans for GGT. In accordance with their agreements, the leadership, including the Premier, spent time on the ground, interacting with communities and at service delivery points to ensure that plans were being implemented and that promised services were delivered.

While local governments faced many financial, institutional and service delivery challenges, the province vowed to work with them to deliver. Even as 2030 approached, collaboration and accountability on all major service delivery and socio-economic initiatives were enforced. Communities that had been neglected, and were then given high priority, now enjoyed the services they were originally promised. Any municipalities that face serious financial viability fell under the scrutiny of better oversight and received support so they could do their jobs. Poor performance was not tolerated. Municipalities were told that a clean audit was good, but a clean audit without service delivery was pointless.

To ensure transparency, the provincial government put in place a mechanism to report financial viability of municipalities, infrastructure budgets and their spending regarding key service delivery. This type of accountability required that Gauteng proactively work with local municipalities to improve service delivery. Accountability also led provincial government to investigate municipalities for weak oversight and inadequate consequence management.

The GGT2030 set out bold initiatives. They were based on clear and deliberative thinking about how best to tackle the structural legacy that stood in the way of achieving equitable and inclusive growth for all. The approach was bolstered by the scientific and data-driven evidence-based processes that assisted in setting out a plan, then evaluating and monitoring the impact of implementation.

At the beginning of the decade, the provincial government set out clear targets and built internal modelling capacity to identify the best policy roadmap; that was, the policy path most likely to deliver its objectives. Throughout the decade, the modelling team increasingly strengthened its capacity to monitor and evaluate progress being made on the desired objectives. The monitoring and evaluation process is also helpful to all departments because they also gained an integrated and clear focus on the targets and how they are achieved over time. The provincial leadership relied on data-driven, forward-looking intelligence from the modelling team because it preferred to make decisions on the basis of scientific evidence rather than subjective inclinations. The policy roadmap developed by the province could not be achieved without coordination with the national government. Dovetailing aspirational measures at the provincial and national levels led to better outcomes but successful implementation requires sound fiscal, monetary and industrial policy support at the national level.

By 2030, the provincial government was able to lay claim to its legitimacy and authority because of its ability to create and implement a positive developmental agenda that contributed towards the well-being of the province.

In addressing the requirements for the establishment of a capable state, the NDP argues that “the public service needs to be immersed in the developmental agenda but insulated from undue political interference” (RSA, 2012:407).

Joel Netshitenzhe expressed his thoughts on the issue: “For the state to fulfil its responsibilities, it should not only have the requisite capacity, but must also enjoy popular legitimacy” (Netshitenzhe, 2013:6).

President Mbeki also expressed his views. “A capable state starts with the people who work in it. Therefore is a need to have programme focused, amongst others, on the development of cadres who are ... truly committed to the new democratic South Africa, and properly prepared with regard to the skills our country needs to achieve success ... these strata in our society ... will have the specialised skills our country needs, at the same time have the levels of national consciousness and patriotism that will enable our people to count on them as an asset for the development and modernisation of our country, for the benefit of the masses of our people.” (Mbeki, 2000).

Therefore, “the people who work in it”, the officials and managers who keep the cogwheels of state turning, must possess the right financial and technical skills and other expertise.

A capable state also means that state-owned enterprises need to fulfil their mandates effectively and add value to the economy. The legitimacy and authority of the state also depends on its ability to create a positive developmental agenda that contributes towards the country and province we all want to live in.

Achieving that goal, however, means overcoming the persistent economic challenges that we face. Slow growth, stubborn unemployment and high levels of inequality conspire to increase social tensions that undermine the state’s legitimacy.

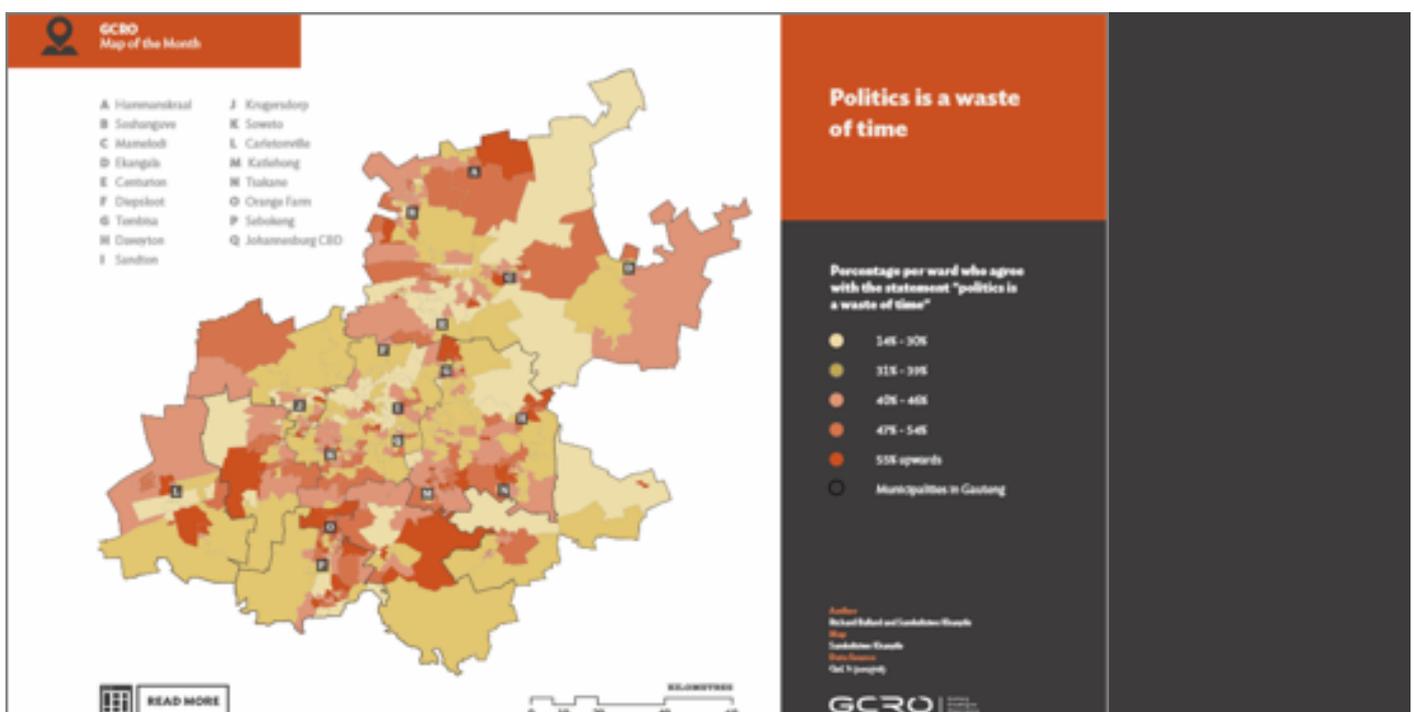
To many people, this reduced trust is perceived as government that is not doing enough to safeguard them and their livelihoods. Key to the establishment and maintenance of a responsible, ethical state is an engaged, active citizen base through which the state can be held accountable.

It is a sentiment that begs the vital question: how engaged and active are the Gauteng people?

The map below (Figure 12), compiled by QoL Survey, reflects the opinions expressed by Gauteng residents when asked to respond to the blunt but no-nonsense statement: “Politics is a waste of time”.

As the map indicates, the wealthier the wards, the less likely respondents seemed to agree with the statement.

In contrast to that view, however, respondents in inner-city wards, rural areas and township wards were more likely to agree that “politics is a waste of time”. In fact, in areas such as Daveyton, Tembisa, Tsakane, Katlehong and Orange Farm, more than 50% of respondents agreed with that statement.



Throughout South Africa over the last few years, service delivery protests, in which the people express their frustration and discontent with government performance, have become ubiquitous.

According to Municipal IQ Monitor, 16% of such protests during 2018 took place in Gauteng. By 2019, this figure had risen to 24% ([www.municithepaliq.co.za](http://www.municithepaliq.co.za)).

These protests bring into sharp focus that effective service delivery is fundamental to a developmental and capable state.

To this end, therefore, Gauteng has proactively worked with various local municipalities to improve service delivery. There are a growing number of dysfunctional and at-risk municipalities in Gauteng, many of which exercise weak oversight, accountability and inadequate consequence management.

The provincial government is currently intervening in the Emfuleni and West Rand District Municipalities in terms of Section 139 of the Constitution and Section 135 of the Municipal Finance Management Act (MFMA).

A further area that impacts directly on delivery is that of governance.

The South African Cities Network (SACN) 2016 State of Cities Report identified municipal governance as posing a serious challenge to progress in South African cities, with specific challenges including:

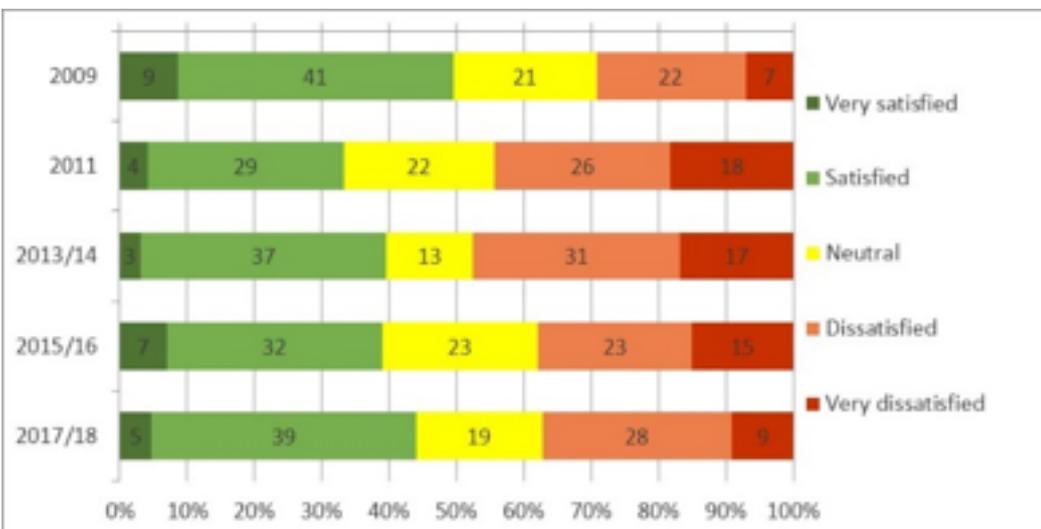
- The complexity and impact of coalition politics.
- Poor cooperative and participative governance.
- A lack of effective partnering with urban actors in the private, civil and academic spheres.
- Weak administrative capacity and institutional arrangements.

These are some of the areas in respect of which GPG may need to play a support role in the period ahead.

The NDP (2012:410) also outlines a set of targeted actions through which to build a capable and developmental state, with the following eight areas of targeted action noted as key:

- Stabilise the political-administrative interface.
- Make the public service and local government administration careers of choice.
- Develop technical and specialist professional skills.
- Strengthen delegation, accountability and oversight.
- Improve interdepartmental coordination.
- Take a proactive approach to improving relations between national, provincial and local government.
- Strengthen local government.

Notwithstanding the many challenges faced, findings from the GCRO’s QoL Surveys for the period between 2011/2012 and 2017/2018 reflect an improvement in the level of satisfaction with the provincial government – as depicted within the graph below (Figure 13). There was, however, also a drop from satisfaction levels registered in the 2009 period.



GPG has placed focus on fighting corruption, in support of the establishment of a more ethical state. In 2015/2016, all provincial departments received an unqualified audit, with 60% of these noted as clean audits.

Efforts to improve delivery have also focused on establishing better monitoring and reporting mechanisms, with methodologies such as "Deliverology" contributing to greater accountability within the provincial departments.

Creating an efficient, effective and development-orientated public service must be the main principle guiding provincial departments. A professional and innovative public service is a non-negotiable if the province is to be adequately armed to meet its various challenges.

Gauteng consistently focuses on encouraging excellence amongst its departments – with efforts rewarded through the receipt of a number of public service excellence awards to date. The Department of Roads and Transport's Motor Vehicle Registration Unit, for example, won first prize at the Centre for Public Service Innovation Awards in 2015.



### **In terms of building efficient and smart systems, processes and points of access that provide seamlessly integrated services across the province include the following milestones:**

- Modernised the public service through linking 1,181 sites (of which 421 are schools) to the Gauteng Broadband Network (GBN), with all sites connected at 100 Mbps.
- Launched a common internet-based platform, providing the people with access to 11 citizen-centric government services through a single window.
- Registered over 10,000 township suppliers on the Gauteng Central Database and procured R5.8 billion of goods and services from registered township suppliers, with the latter accounting for approximately 25% of the GPG's procurement spend.
- Achieved the 30-day payment target for suppliers for all provincial departments, barring the Department of Health (DoH), the Department of Education (DoE) and the Department of Infrastructure Development (DID).

### **In terms of promoting a responsive, accountable, effective and efficient provincial and local public service:**

- Provided municipal officials and councillors with training in scarce and critical skill areas such as contracts management, financial management, project management and technical skills – thereby enhancing technical capacity and supporting overall stability in critical municipal posts.
- Intervened in municipalities where governance and capacity challenges threatened service delivery.
- Established Rand West City Local Municipality through a successful merger of Westonaria and Randfontein local municipalities.
- Established the Gauteng Infrastructure Investment Agency (GIFA) to explore alternative funding models and revenue sources for development and infrastructure projects, on behalf of GPG and its respective municipalities.

### **In terms of building ethical governance and eliminating corruption:**

- Established the Premiers' Ethics Advisory Council to institutionalise ethics and promote high integrity standards across government and society, and established Ethics Committees at a local government level.
- Launched the innovative Open Tender System to enhance procurement transparency, reduce fraud and corruption, and promote clean governance across the province.
- Achieved unqualified audits for all GPG departments and entities for three consecutive years.
- Obtained 100% unqualified audits for all Gauteng municipalities in the Municipal Audit outcomes, 2018/2019.
- Completed financial disclosures for all senior and middle management public servants across GPG.

### **In terms of building active communities and partnerships as a basis for good governance, we have:**

- Established the Ntirhisano Outreach Programme to improve how government interacts with people, with service delivery fast-tracked through the Ntirhisano Service Delivery War Room.
- Prioritised women, youth and people with disabilities beneficiaries in all government programmes.
- Implemented various programmes to improve the conditions of the girl child.
- Realised the rights of those with disabilities through improved accessibility of public facilities and public transport, including ramps for wheelchair users and Braille for the blind.

**As the government works to support the people and service delivery within Gauteng through embedding an accessible, responsive, ethical and effective state, it will focus on:**

- Building efficient and smart systems, processes and points of access that provide seamlessly integrated services across the province – with government functioning as “one”.
- Promoting a responsive, accountable, effective and efficient provincial and local public service.
- Building ethical governance and eliminating corruption.
- Building active communities and partnerships as a basis for good governance.



**As the government delivers on our priority action of building efficient and smart systems, processes and points of access that provide seamlessly integrated services across the province, we will see:**

- Smart and efficient digital public services established, supporting improved delivery in areas such as revenue collection, service provider payment, education, health and library services, policing, and infrastructure project monitoring.
- Improved use of smart technology and social media platforms for increased public participation and communication.
- The institutionalisation of Ntirhisano to ensure government works with and in communities on a regular basis, embedding accountability and allowing for the prompt resolution of service delivery challenges.
- Enhanced public participation process through the delivery of a more effective Ward Committee System and the Asset-Based Community Development (ABCD) model.
- Optimal procurement of goods and services by the GPG – with goods and services procured from businesses in townships making up 30% of the value of GPG’s procurement spend.

**As the government delivers on the priority of promoting a responsive, accountable, effective and efficient provincial and local public service, we will see:**

- Greater alignment between municipal and provincial plans and strategies, in line with the District Delivery Model, and provided support to municipalities in terms of the Back to Basics Programme, and assistance provided to struggling municipalities – with emphasis on ways to improve service delivery outputs and build efficiencies.
- Implementation, oversight and coordinating machinery in the Office of the Premier, enhanced to address government work appropriately, with primary focus placed on empowering and supporting women, senior people, people with disabilities, military veterans and members of the LGBTIQ community.
- The Military Veterans Programme intensified, with focus placed on mainstreaming these role-players into existing socio-economic and governance programmes.
- The move to a single-tier (metropolitan system) form of local government in Gauteng.
- The adoption of a GCR-based Intergovernmental Relations (IGR) Framework.
- Greater cooperation between all GCR-related role-players on critical areas such as transport, infrastructure, environment, economy and human settlements – with this resulting in a coherent and “One Plan, One Vision” approach to delivery.
- The resolution of all incomplete provincial projects across all municipalities.
- Implementation of the Local Government Turnaround Strategy.
- Capacity building of municipalities in respect of the following areas: institutional, governance, financial and service delivery.
- Completion of outstanding provincial legislation, such as that relating to the Gauteng Transport Authority.

**As the government delivers on the priority of building ethical governance and eliminating corruption, we will see:**

- The establishment and maintenance of an effective and efficient management and operations system.
- Public servants prohibited from doing business with the state.
- The introduction of new technological systems and efficiencies in the Open Tender System.
- Improved audit outcomes for GPG institutions.
- Improvements in GPG’s investigative capacity, which will lead to an increase in the number of cases that are successfully prosecuted.
- Through collaboration with the Premier’s Ethics Advisory Council, the establishment of a public service that adheres to anti-corruption measures, which delivers and behaves with integrity, and encourages society at large to refrain from engaging in corrupt activities.

**As the government delivers on the priority of building active communities and partnerships, you will see:**

- Enabling mechanisms implemented – empowering communities to participate in local government planning and development.
- Rapid Response Teams (RRT) from across sectors and spheres implemented and enabled to support and unblock service delivery efforts.
- The government communication machinery repositioned to achieve greater interaction, information sharing and feedback with the people of Gauteng.



**TOWARDS A BETTER AFRICA AND A BETTER WORLD:**

**GGT2030**  
GROWING GAUTENG TOGETHER

In his inauguration speech, President Cyril Ramaphosa highlighted South Africa’s commitment to “work with our brothers and sisters across the continent to realise the African Union’s vision of Agenda 2063 ... To build the Africa that we all want”. Without question, Gauteng has a key role to play in this commitment, at numerous levels.

First, let us look at the geography.

The province is strategically placed along the logistics corridor that connects the sub-region to South Africa’s interior, to the port of Durban, and beyond to global markets.

The “Durban-Free State-Gauteng Logistics and Industrial Corridor” (referred to as the “national competitiveness corridor” in the NDP) serves as a corridor of “logistics hubs, road, rail, fuel and other infrastructure” and accounts for approximately 46% of GDP in South Africa (2012:279).

Other aspects of Gauteng’s logistics infrastructure include a wide range of public transport options that penetrate the entire southern Africa region.

Gauteng is also home to the biggest and busiest airport on the continent, OR Tambo International Airport (Figure 14).

Facilitating the movement of over 21 million passengers annually, plus cargo, to all corners of the earth, including the major African centres, OR Tambo is the gateway to wherever anyone needs to go (Africa Logistics, 2019).

**Figure 14: Regional flights route map**



**As the economic hub of the country, Gauteng makes a vital contribution through the strength of its GDP. For instance:**

- If Gauteng were a country, its GDP would make it the seventh largest economy on the continent (Stats SA, 2018c).
- Gauteng-based businesses contribute significantly to inter-African trade, with a wide range of FDI projects across the continent.
- The African Continental Free Trade Area (AfCFTA) provides further opportunities by facilitating free trade across the continent.

Over and above the formal economic links, the informal cross-border trade (ICBT) is also a significant contributor to regional trade and retail economies throughout the region, which plays a key role in poverty alleviation (Pederby et al., 2015:1).

These connections are not only economic in nature. We also enjoy close, long-standing social and cultural links with our regional and continental neighbours.

However, relations have been strained over the last few years due to the shocking rise in xenophobic attacks in South Africa and Gauteng. These inexcusable acts have been hugely damaging to South Africa's image throughout the continent.

This is because these attacks are undermining the pan-African agenda and are "detrimental and contrary to the central tenets of South Africa's development agenda and its diplomacy of Ubuntu" (Mabera, 2017:1).

Therefore, the provincial government has always publicly condemned these attacks, including working with the organised formations to protect those, the people of other countries, that reside legally in South Africa.

In terms of international relationships, Gauteng is committed to a range of global agreements by virtue of the fact that South Africa is a signatory to the following, amongst other agreements:

- The 2030 Agenda for Sustainable Development
- The Addis Ababa Action Agenda
- The Paris Agreement
- The Sendai Framework for Disaster Risk Reduction
- The UN-Habitat's NUA
- The AU's Agenda 2063

Each comes with delivery commitments and reporting and evaluation responsibilities for all spheres of government, including the GPG.

South Africa's role as a member of the BRICS association also has direct implications for Gauteng.

From networking, knowledge-sharing and collaboration opportunities with fellow member countries, to the physical location of the BRICS' New Development Bank's (NDB) country office in the heart of Sandton, Gauteng is a major contributor to the BRICS association.

Gauteng also plays an active role in global city and city region knowledge-sharing networks and partnership agreements. GPG and its respective cities hold membership in a range of global networks and platforms, which benefits the province in myriad ways:

- Knowledge-sharing
- Partnerships
- Support
- Investment prospects
- Collaboration
- The potential of influencing dialogue and decision-making.

- The province benefitted, as a city region, from the knowledge-sharing, networking and collaboration opportunities offered through various global networks and platforms – with Premier David Makhura also playing a role of influence amongst our peers through his position as Co-President of Metropolis, “the metropolitan section of the World Organisation of United Cities and Local Governments (UCLG)” (Metropolis, 2019).
- Gauteng served as host to numerous international network gatherings, including two African Investment Forum meetings and the 2018 Metropolis Annual General Meeting (AGM) – with the 2013 AGM also hosted locally, via the City of Johannesburg.
- Gauteng has seen more than 200 active FDI projects established across different regions on the continent by Gauteng-based businesses – with these efforts supporting 45,000 jobs within Gauteng, and additional work opportunities in other countries (GPG, 2019b).

### PRIORITY ACTIONS TO ACHIEVE:

**In driving delivery of a Gauteng that supports and contributes to a “better region, Africa and the world”, the government believes that the primary focus should be on:**

- Placing a special focus on expanding foreign trade and achieving a stable, growing, and integrated economic region.
- Building regional and continental networks, trade platforms and opportunities.
- Showcasing regional and continental partnerships, and potential areas for collaboration.
- Promoting regional FDI by Gauteng-based businesses in the interests of growing connectivity.
- Identifying and taking advantage of trade opportunities and signing Twin City Agreements with other city regions.
- Partnering with the BRICS Development Bank on the infrastructure investment initiatives.
- Supporting the African agenda for industrialisation and regional integration for sustainable and inclusive development.
- Cementing the GCR as the gateway to Africa: R&D, trade, finance, logistics, business services, manufacturing, energy.
- Introducing SEZs, where feasible, to boost manufacturing, increase exports and employment, and add momentum towards turning GCR into a single, multitier and integrated SEZ.



**As the government delivers on our priority actions relating to the focus on “building regional and continental networks, trade platforms and opportunities”, we will see:**

- Gauteng continuing to be a gateway to Africa and the world – with focus placed on promoting Africa intra-trade and building on the prospects of the AfCFTA, through actively supporting the reindustrialisation of the continent’s economy, boosting manufacturing capacity and increasing trade with African partners (GPG, 2019b).
- Greater focus on opening opportunities for economic engagement, networking and trade across the region, continent and beyond.
- The promotion of greater diversification of exports to traditional and new markets, to support growth and employment creation in Gauteng.

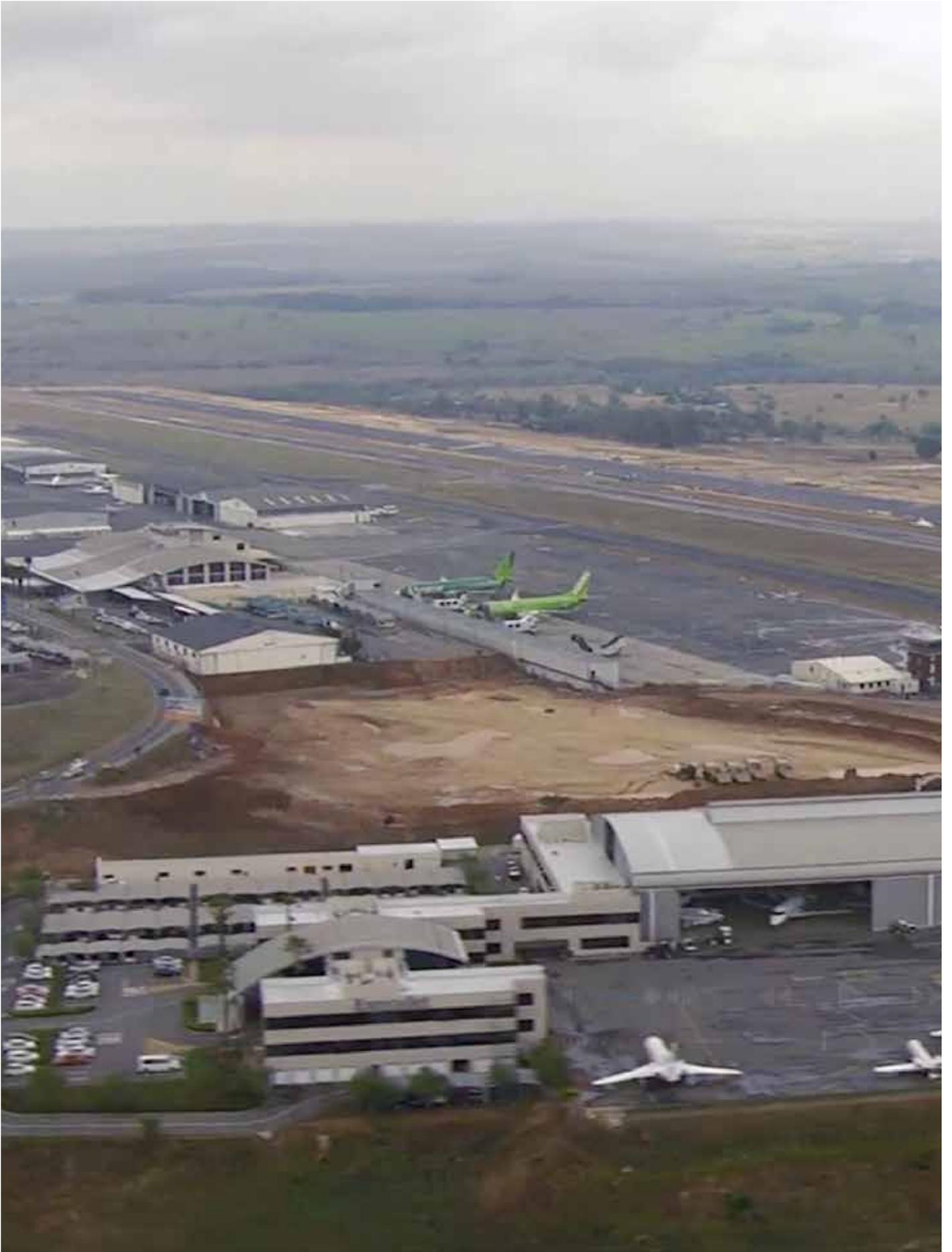
**As the government delivers on our priority actions relating to the focus on “showcasing regional and continental partnerships, and potential areas for collaboration”, we will see:**

- Active steps taken to build a socially cohesive Gauteng – with focus placed on shifting attitudes and strengthening our relationships with other African countries.
- Emphasis on people-to-people connections through platforms such as the arts, sports, culture and media – and through opportunities for sharing and the expression of solidarity with our continental counterparts.
- Ongoing focus on promoting and supporting issues related to the global urban agenda – with continued participation in multilateral organisations, networks and strategic partnership arrangements.
- Greater focus on working with the AU on initiatives to build the Africa we want through Agenda 2063.

**As the government delivers priority actions relating to the focus on “promoting regional FDI by Gauteng-based businesses, in the interests of growing connectivity”, we will see:**

- Further facilitation support offered to Gauteng-based firms and those firms whose headquarters are in Gauteng as they continue their efforts in extending their presence across the continent.
- Gauteng’s role in relation to continental growth reflected in the size of investments made by Gauteng-based firms in other countries within the region, and in the size of the informal economy – with significant volumes of goods originating from Gauteng traded and transported across southern Africa.







**SUSTAINABLE DEVELOPMENT FOR FUTURE GENERATIONS:**

### **Nayi le walk – a province in step with itself and the nation**

By 2030, the environment throughout the province was cared for, managed, protected and used in a way that prioritised environmental sustainability – for a resource-wise, healthy Gauteng for generations to come.

Timing was everything. The successive terms of the ANC-led provincial government came at a time when the threats from climate change and global warming were in display around the world. Years later, the historic drought in Cape Town remained a stark reminder that devastating environmental crises strain more than infrastructure and disaster management systems. Everyone was affected and even the most affluent could not be spared from the wrath of global warming. Similar global and national events spurred all levels of government in South Africa to frame its developmental planning in sustainable terms. Three key strategies were management, mitigation and adaptation.

Gauteng, as the economic hub, partnered with state and private actors to ensure that the province is as climate-proofed and resilient as possible. All productive sectors of the economy were required to comply with cleaner methods and protocols that supported conservation.

The urgency of protecting food security led to bringing more land under cultivation and using agricultural methods that promoted and utilised drought and pest-resistant cultivars. Food security initiatives benefited tens of thousands of households and more and more women benefited directly from the growth of food gardens in communities across the province.

The energy sector overhaul refocused alternatives that not only brought compressed natural gas, biofuels and solar into common usage, but also supported the growth of new sectors along the entire value chain. Individual and institutional consumers found that the cost of using these alternatives continually declined, and they are quickly preferred to the old way of doing things. Gauteng residents became accustomed to solar energy being used everywhere. Public servants also enjoyed efficient solar energy that was generated on all government buildings. Massive media campaigns and education programmes shifted consumer behaviour.

Waste from all types of sources was reclaimed in facilities throughout the province. These facilities received much support as budding commercial enterprises and cooperatives, especially as start-ups by young and female entrepreneurs. They continued to receive support not solely to ensure their sustainability but as part of the green agenda.

The transport sector transitioned to low carbon transit within the public transport network. Media on public transport and other places exposed riders to the benefit of choosing more efficient transportation, which then became preferred. Residents also noticed the improvement in air quality.

The province also transitioned to a low carbon footprint. Its strategy for resilience focused on mitigation in the energy, transport, waste, industry and land-use sectors. By mid-decade, Gauteng took corrective steps to reduce greenhouse gas emissions in line with NDP requirements.

Adapting to the climate change with respect to water, health, biodiversity and human settlements required disaster management at all levels of provincial government, but especially in municipalities because they were on the front lines.

Rapid population growth, unsustainable resource use, climate change and environmental degradation are becoming an increasingly obvious threat to us all.

For such an urbanised, industrialised province, Gauteng is surprisingly rich in its biodiversity, with noteworthy and conserved natural resources, including the Rietvlei Dam Nature Reserve and Suikerbosrand.

This includes world-renowned heritage sites, such as the Cradle of Humankind.

While conservation efforts focused on securing the biodiversity and heritage sites are to be found throughout the province, which provides health benefits to residents and helps mitigate climate change, it is not enough.

**Gauteng is a highly urbanised province, which means that our environmental assets are threatened by various factors, such as:**

- Water scarcity;
- Poor air quality;
- Poor environmental management (e.g. in respect of waste and mining practices);
- An ongoing loss of biodiversity because of Gauteng's sprawling settlements, and densification has resulted in the reduction of much-needed green vegetation (Culwick, 2019); and
- Gauteng's wetlands are also experiencing dramatic degradation (Culwick, 2019).

Adding to these challenges is the fact that the green spaces that exist in the province are also inequitably distributed. Poorer communities simply do not have the same level of access to these environmental resources as the wealthier suburbs (Culwick et al., 2019:18). Of course, population growth and urbanisation are still the biggest threat to our natural assets:

- Poor air quality affects households without access to electricity. The burning of fossil fuels also impacts on long-term health and ultimately reduces the QoL for people living in these households.
- Waste management is also a significant challenge in Gauteng. It is estimated that only 10% of general waste in South Africa is currently being recycled.
- Due to the population growth, extended periods of drought and high wastage, Gauteng is also a water-stressed province. With a daily per capita water usage of 235 litres, this needs to be reduced in the interest of sustainability (Muller et al., 2019).
- Acid mine drainage threatens to contaminate rivers and wetlands (Metcalf, year unknown: 67).
- Economic activity has also impacted on air quality, with Gauteng's industrial sector acknowledged as being responsible for much of South Africa's greenhouse gas (GHG) emissions (GPG, 2010:3) – although these role-players are seldom held to account in addressing the consequences of their activities.
- In addition, Gauteng's (and South Africa's) reliance on non-renewable resources of energy impacts negatively on the environment (GPG, 2010:4).

- Cultivated over 11 193 hectares for food production in communal areas, while over 8,000 farmers have received accredited and non-accredited training, over 32,000 households have benefitted from food security initiatives, and approximately 2,000 women have benefitted from community food gardens.
- Planted 16,680 indigenous trees to promote greening and mitigation against climate change impacts.
- Provided over 50 entrepreneurs of Buy-Back Centres and Waste Management Cooperatives with support and recycling equipment, and Personal Protective Equipment (PPE).
- Received National Treasury approval to implement renewable energy projects – including the installation of solar panels on the rooftops of all government buildings.
- Tabled a plan on climate change, and an overarching sustainability strategy.
- Set up a Water War Room to oversee the development of a Water Security Plan for Gauteng.

### **PRIORITY ACTIONS TO ACHIEVE:**

**As the government works towards establishing and maintaining a sustainable, resource-wise, healthy Gauteng, it will prioritise the following:**

- Promoting sustainable planning and development in the context of a rapidly urbanising region and growing population.
- Proactively confronting climate change through management, mitigation and adaptation strategies.
- Protecting, caring for and maintaining Gauteng's natural environment and its critical biodiversity areas.
- Managing environmental resources optimally in the context of growing scarcity.
- Investing in our capacity to preserve water.
- The finalisation of a GCR-wide energy company to respond to the demands and supply of energy.



**As the government delivers on our priority actions of promoting sustainable planning and development, we will see:**

- Wetlands and flood-prone areas protected from development.
- Urban parks and open areas being conserved to promote green living.

**As we deliver on our priority actions on climate change, we will see:**

- Emphasis placed on driving direction across the GCR through climate change leadership – with GPG and its partners focused on ensuring that the GCR is climate-proofed and resilient, especially in relation to critical aspects such as food security, energy, water and transport.
- Gauteng transition to a low carbon footpath and improved environmental resilience, with focus placed on mitigation (e.g. in respect of energy, transport, waste, industry and the land-use sectors) and on adaptation (water, health, biodiversity, human settlements and disaster risk management).
- Steps taken to combat GHG emissions across the province, including contributing towards the 42% reduction in total GHG emissions by 2024 in support of the NDP’s call for the peak, plateau and decline trajectory for GHG emissions to be managed – by around 2025 (NDP, 2012).
- Work with national government towards the 60% increase in municipalities to have the capacity to implement climate change programmes (e.g. smart agriculture).
- Ensure that 50% of municipalities have access to climate change funding/financing (green climate fund, climate adaptation fund) and that all municipalities have disaster Early Warning Systems in place, through the establishment of the Gauteng City-Region Disaster Management System.
- A 90% compliance rate achieved in terms of the licences/permits, through reporting emissions in line with the climate-smart agricultural methods implemented through the use of new cultivars that are drought- and pest-resistant, through biogas generation and through mechanisms that support water conservation.
- National Atmospheric Emissions Inventory System.
- A transition to more low carbon transit systems (e.g. within the BRT) within the public transport network across the city region.
- Rollout of 33 air quality monitoring infrastructures.

**As the government delivers on our priority actions relating to the domain of protecting, caring for and maintaining Gauteng’s natural environment and its critical biodiversity areas, we will see:**

- An increase in the amount of land under protection as per the stated need in the Gauteng Conservation Plan, for greater focus in this regard.
- Expansion and consolidation of the protected area network.
- Improved management of biodiversity in priority areas outside the protected area network, through the integration of diversity into land-use planning and environmental authorisations.

**As we deliver on our priority in managing environmental resources, we will see:**

- Efficient and secure water management systems developed and maintained.
- Regulations developed to support the implementation of separation at source.
- Cooperatives supported in recycling efforts, with emphasis placed on ensuring these role-players hold at least 10% of the recycling market share.
- A total of 25% of waste diverted from landfill sites by 2024, three waste reclamation centres (material recovery facilities) established, and 200 waste management recycling cooperatives, facilities and buy-back centres trained and supported.
- A comprehensive consumer awareness and education programme rolled out to shift behaviour and limit consumption.
- The energy sector reformed through a focus on alternative energy to support the growth of a new sector along the entire value chain, including compressed natural gas, biofuels, solar and battery storage.
- The grid electric car promoted, with preliminary rollout initiated.
- Renewable energy initiatives implemented as part of a process of promoting the green agenda within the province, with initiatives to include the conversion of coal-fired boilers to gas-fired boilers in health facilities, installation of solar power in schools, and the implementation of water harvesting tanks.

The vision for the Gauteng we want in 2030 will be implemented along five development corridors that have distinct industries and different comparative advantages:

- **Northern Corridor, The Capital of the Republic and the Hub of The Automotive Industry Manufacturing, Innovation, R&D, Aerospace and Defence Industries.**
- **Central Corridor, Johannesburg is Africa's Financial and Technological Nerve Centre and Pre-eminent Hub for Innovation, Research And Development.**
- **Western Corridor, which is anchored around mining to include tourism, agri-business and agro-processing.**
- **Southern Corridor, Sedibeng, which has suffered significant deindustrialisation due to the collapse of the steel industry.**
- **Eastern Corridor, Ekurhuleni and OR Tambo International Airport hub into Africa's largest Aerotropolis with advanced manufacturing and agro-processing capabilities as well as globally competitive logistics capacity.**





### The Northern Development Corridor

– together with the private sector, government is unlocking more than R60 billion investment in key areas over the next decade. These include:

- The Automotive SEZ
- Rosslyn Auto City
- Menlyn Maine development
- High-Tech SEZ
- Consolidate and regenerate existing areas (CBD, Centurion and Silverton)
- Infrastructure investment to revitalise townships and create economic opportunities
- Expansion of the Innovation Hub, contribute towards the vision of building an innovation ecosystem in Gauteng



### The Eastern Development Corridor

We are consolidating Ekurhuleni's position as Africa's largest Aerotropolis and manufacturing hub. This includes:

- Tambo Springs Logistics Gateway
- The PRASA-Gibela rail manufacturing hub in Nigel
- The expansion of the Airport by Airports Company SA
- Industrial Development Zone for jewellery manufacturing
- Agro-processing and fuel-cell technology development
- The development and investment in the fuel-cell technology
- OR Tambo University of Science and Innovation
- Other major private sector developments taking place along R21 highway

Taken as a whole, these projects will unlock over R200 billion worth of investment.



### The Central Development Corridor

Johannesburg – we are consolidating this corridor to serve as Africa’s financial and technological nerve centre and pre-eminent hub for innovation, research and development:

- The pipeline of concrete projects includes major investments in Rosebank, Sandton, Midrand and Fourways
- The revitalisation of the Joburg Inner-City
- The mega projects in the south from Soweto to Orange Farm
- Together with the private sector, we are unlocking more than R200 billion of private investments in Johannesburg
- Revitalisation of townships



### The Western Development Corridor

we are investing in the creation of new industries, new economic areas and new cities. The focus of the joint initiatives is around tourism, agriculture and agro-processing and renewable energy projects. This includes diversifying the West Rand economy away from reliance on mining to include bus manufacturing, agri-business and agro-processing, renewable energy and tourism. The pipeline of concrete projects includes:

- The expansion of Busmark bus manufacturing plant
- The Lanseria Airport expansion and the new Lanseria City Development
- The Agro-processing Mega Park & Logistics Hub on the N12 highway and other private sector mega projects
- These projects are pumping over R25 billion worth of investment into the western corridor.



### The Southern Development Corridor

The Southern Development Corridor, where the regional economy has suffered significant deindustrialisation due to the collapse of the steel industry, our goal is to build a new economy in the Vaal, in both the Gauteng and Free State-side of the Vaal River. The Sedibeng's catalytic investment projects include:

- The Savannah City
- Vaal River City and the Vaal University Village precinct to include:
  - o cargo airport and logistics hub
  - o the Vaal Special Economic Zone
  - o AB InBev investment project
  - o Vaal Marina development and logistics and mining investments in Lesedi
  - o the Gauteng Highlands projects

We are working with national government, the private sector, SOEs and universities to direct infrastructure initiatives and human capital development interventions towards the same vision. Collectively, these projects will unlock over R20 billion investment into the Vaal economy.

As we enter this new decade, it has become obvious that Gauteng is meeting its potential to be the beacon for inclusive growth and to generate a positive and sizeable impact that also moves the national economic trajectory upward. Just when people were starting to give up hope, the leaders in Gauteng saw that to be a successful province, economic expansion, growing social cohesion, the rule of law and civic pride must be rooted in specific interventions that get to the core of the greatest threat to the province – poverty, inequality and unemployment. Gauteng opted to tackle these challenges in an expansive vision of inclusive growth predicated on the integration of multiple aspects of economic activity and social investment in its most value asset – its people. The South African electorate has shown that the success of any government is based on how it responds to the needs of its people.

In 2030, voters recognise that the ANC-led provincial government undertook an inclusive vision that grew the economy and improved their lives. As a consequence, they are slated to win a resounding re-election victory.

By 2030, the social, economic and political inclusion of all will be empowered and promoted, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Post 2030, the year 2055 will be the centenary of the Freedom Charter. This is the seminal document which remains a policy lodestar for the state and the rest of South Africa. It articulates succinctly the kind of society the government seeks to create – a society in which South Africa belongs to all who live in it, black or white.

This is the South Africa where instead of race, creed, colour or gender being the defining features of engagement, it is a society in which all have access to quality education and health, plus an economy that is shared by all, land is owned by all, and all live a prosperous life.

To deliver on a Gauteng of 2030 that meets the hopes and aspirations of everyone who lives here, the provincial government will need the support of everyone – including role-players across all spheres of government, partners in the private sector, civil society, and each member of the GCR.

It is only through Growing Gauteng Together that the province will deliver on its commitments.

Informed by the developing megatrends, such as growing population, population ageing, migration and urbanisation, the provincial government must vigorously implement the proposed interventions as outlined in the GGT2030.

Therefore, responding to demographic shifts is becoming more important in the face of growing pressures on food, energy and water supplies, greater population mobility, additional demands for jobs and support, and uncertain effects of climate change (NDP, 2011:75).

The province must start planning beyond the next 25 years, and this includes planning for the Gauteng we want by 2055, the centenary of the Freedom Charter.

Therefore, to realise the Gauteng of 2055 as outlined in the Freedom Charter, the government will vigorously implement GGT2030 for the next ten years, which entails:

- Contributing to and taking the lead on the President's initiatives of economic recovery, investment, industrialisation, youth employment and the township economy – while also focusing on sectors of the economy with high employment potential.
- Prioritising access to quality ECD, comprehensive literacy and numeracy in the foundation phase, targeted improvement of primary school education, and empowerment of high school learners with portable skills.
- Ensuring that 90% of clinics, community health centres, district and regional hospitals meet the ideal clinic standards within five years – with health service centres opening on time, stocked with adequate medicines and equipment, and providing safe, clean and patient-friendly services.
- The completion of unfinished housing and urban renewal projects. The hand-over of outstanding title deeds, and fast-tracking of the rapid land release programme – with 100,000 serviced stands. These would be made available to the people in the period leading up to 2024, for recipients to construct their own houses.
- Reducing crime by 50% in the 40 worst crime hotspots (high-priority police precincts).
- Targeting clean governance and ethical leadership – supported by steps such as finalising all outstanding SIU investigations, lifestyle audits, with the emphasis on attaining clean audits (GPG, 2019b).

This is because the work government is about to embark on must strengthen compacts so as to build a growing and inclusive economy. It must also urgently address economic exclusion, inequality and unemployment through creation of more jobs, sustained land reform and an agrarian revolution, deconcentrate the economy and promote growth, plus develop an industrial plan for localisation and innovation, and for maintenance of infrastructure – all driven by a democratic developmental state.

It will also be working with national government to consolidate and strengthen the social wage, as well as improve the delivery of quality basic services. The focus will be on education and the skills revolution while providing quality healthcare.

To achieve the dream, government must adopt a more pragmatic and realistic implementation plan. This needs to be based on well-devised policies that are informed and guided by evidence presented by independent research.

This will require that we build an effective and efficient development state that has the capacity to meet the challenges of poverty, unemployment and inequality. Such a state must be able to uproot corruption, promote integrity, transparency and accountability. It must also be driven by the principles of ethical leadership, service orientation and professionalism in the management of social relations as it delivers public services.

The government must invest in strengthening planning and monitoring capacity across all spheres of government to have capability to translate the aspiration and opportunities into a detailed and spatially referenced programme supported by a skills plan. As a city region, Gauteng is an important global player. Therefore, working with national government and global institutions through the global governance frameworks of the United Nations SDGs, the African Union's Agenda 2063 and SADC Regional Instruments, we will continue to contribute towards a better Africa and a better world.

The path to the Gauteng of our dreams – “The Gauteng We All Want” – of the Indlulamithi's Nayi le Walk scenario requires that we work together with national government, focusing and executing with a great sense of discipline the right policies, seven priorities and the 162 interventions to have the following dynamic impact:

- 1. Economic growth: The size of Gauteng economy is expected to more than double over the next 11 years, from its current size of about R1 trillion rand to slightly above R2 trillion rand in 2030 prices.**
- 2. Employment and unemployment: The provincial economy is expected to add 3.1 million jobs to total employment by 2030. As a result, and taking into account the province's population growth, the unemployment rate is expected to halve from current 31% to close to 15% by 2030.**
- 3. Per capita GDP: The province's real per capita GDP is expected to increase by 70%, from about R68,000 currently to about R115,000 in 2030.**
- 4. Poverty rate: The Gauteng's Nayi-le-Walk growth path is estimated to reduce the provincial poverty rate by 40% over the next decade, from 25.3% in 2019 to about 16% in 2030.**
- 5. Income inequality: The high income inequality in the province, measured by the Gini index, is expected to decline by 8 percentage points over the course of the next 11 years. It is expected to decline from its current value of 70% to 62% by 2030.**
- 6. Industrial restructuring: The sector composition of output and employment is expected to change. The shares of primary and secondary sectors in total output and employment are likely to increase. Their sector shares of total output are expected to increase from 2.9 and 21.3 per cent to 4.2 and 35.3 per cent respectively. Their shares of total employment are also estimated to improve accordingly.**

**Nayi le Walk outlook across provinces:** The Gauteng's stride towards a Nayi le Walk outcome for the province is found to help propel other eight provinces towards their Nayi le Walk outlooks by raising their average growth rates and lowering their poverty, inequality and unemployment rates over the next decade.

We therefore invite everyone within the GCR, and beyond, to participate and work with us to collectively build on the vision, in delivering the prosperous Gauteng of our dreams.

## **GAUTENG'S NAYI LE WALK OUTLOOK IN NUMBERS**

### **INTRODUCTION**

The Indlulamithi Scenarios 2030 broadly identified three alternative possibilities for the future of South Africa. These same future scenarios broadly cast upon Gauteng provide a view of how they might fare in the largest, most economically dynamic province in the country. The same modelling tools that were applied to the national Indlulamithi Scenarios are applied to reveal the likely effects of specific provincial strategies. The tools further reveal the dynamic impact of the national level Indlulamithi policy scenarios being augmented with specific provincial level strategies and interventions.

### **METHODOLOGY**

Economic modelling techniques are used to simulate and evaluate the impact of the planned GGT2030 provincial interventions. The proposed provincial reforms and interventions aimed at reaching particular transformational goals over the next decade are gleaned from relevant medium- and long-term growth and development strategy documents. The identified set of interventions are then translated into a number of quantitative model scenarios. Finally, the ADRS Linked National-Provincial Model of South Africa is used to simulate the impact of policy choices contained in the national level Indlulamithi policy roadmap (Indlulamithi, 2019) and Gauteng's policy choices for the next decade. This section briefly elaborates on each of the steps.

### **POLICY INITIATIVES AIMED AT MAKING THE GAUTENG VISION A REALITY**

The final model scenarios used for impact simulation were informed by the extensive stakeholder consultation process on the future of the province undertaken by the Gauteng government and the resultant policy documents that were integrated into the Growing Gauteng Together: Our Roadmap to 2030 (GGT2030). The following sequential process helped classify and translate the GGT2030 policy measures into model scenarios:

- 1. Identify the province's overall Transformation Goals.**
- 2. Identify Strategies and corresponding Interventions, designed to achieve the stated transformation goals.**
- 3. Cluster all proposed interventions in to six policy types:**
  - **Microeconomic reforms**
  - **Trade and industry reforms**
  - **Macroeconomic reforms**
  - **Social policy reforms**
  - **Private sector support**
  - **External support**
- 4. Convert each group of interventions into one or more quantitative model scenario or shock.**
- 5. Use ADRS' provincial models to administer the shocks and simulate their overall impact on the provincial, district and municipal economic and development indicators.**

### Taken as a whole, the more than 160 planned interventions were grouped as follows:

- Fifty (50) microeconomic interventions are designed to improve the social, economic and legal environment of doing business in the province.
- Forty (40) interventions that fall under trade and industry policy and support measures that are designed to support equitable industrial growth, greening of the Gauteng economy and promote regional (Africa) trade under public and (private sector).
- Twenty (20) macroeconomic interventions relate to fiscal and monetary measures to support growth and employment.
- Fifty-two (52) social policy interventions are designed to promote social cohesion and inclusivity.

This process enabled us to augment the original national Indlulamithi scenarios policy choices with provincial interventions and to simulate the impact of both national and provincial interventions on the future evolution of the key indicators at national and provincial levels.

### Linked National-Provincial Macro-Micro Model of South Africa

ADRS Linked National-Provincial Macro-Micro Economic Model (LN-PMTM) captures the dynamic interactions between an economy-wide macroeconomic model of South Africa, nine provincial economic models and a microsimulation model of household taxes, transfers, poverty and inequality. The Gauteng economy, as an important driver of the South African economy, features prominently in the structure of the LN-PM through its strong forward and backward linkages to economic activities in other provinces and to economy-wide macroeconomic indicators. Simulations and projections of the model use various inputs that are exogenous to the model. These inputs include population data, policy parameters and other national and international parameters. Annexure A provides a brief non-technical description of LN-PM™.

### POLICY SCENARIOS

Indlulamithi (2018) provides three forward-looking scenarios for South Africa over the next decade, known as the iSbhujwa, the Nayi le Walk and the Gwara Gwara scenarios. The focus of the Gauteng government is on the policy roadmap that is likely to propel the province on the Nayi le Walk scenario.

The Nayi le Walk provincial scenario envisions a province that takes a precise sequence of steps to successfully arrive at its desired level of development. It is a vision in which the underlying goals of economic expansion, growing social cohesion and a renewed spirit of constitutionalism work in unison to set the province on a dynamic path toward better economic and social outcomes for all. To Gauteng, implementation means building an economy that works for the people, takes advantage of its primary position as an economic hub and taps resources from industry, academia, domestic and foreign investors, government and its people to create an integrated economy that leads to a virtuous circle of inclusive growth and prosperity.

By 2030, Gauteng residents will be able to look back on the preceding decade with mounting satisfaction. In practical terms, alignment between the province's expansive development vision and the similar Nayi le Walk scenario unfolding at national level deepens the foundations and sustainability of its path.

Indlulamithi (2019) provides details of the Nayi le Walk national policy framework and measures that were used in the model to assess the scenario's likely economic and social outcomes. Gauteng's planned interventions are expressed as what is needed to build on the national scenario and achieve a Nayi le Walk scenario outcome at provincial level. At the provincial level, the model scenarios were specified based on the list of targeted, actionable strategies and initiatives of the GGT2030.

For example, the following list of planned trade and industry interventions were used to inform the design of model scenarios that capture their potential impact on particular aggregate or sector variables. Under the Nayi le Walk scenario, the model scenarios assume that the planned government interventions will be successfully implemented and will meet their expected goals, such as to increase investment in the manufacturing sector, to expand the export from the agriculture or to lower the cost of transportation.

The construction of model scenarios related to the GGT2030 proposed microeconomic reforms, trade and industry interventions, social policy, private sector and external support measures enabled us to systematically append the policy choices under the national Indlulamithi scenarios with provincial interventions. Based on various proposed interventions, we therefore built a cumulative scenario to assess the likely impact of the planned Gauteng government policy interventions on the province and the rest of South Africa.

<b>Gauteng's Trade and Industry Interventions</b>	
1	Expand Smart City interventions e.g. connect all schools, public health and other facilities to broadband, and ensure all communities have substantial broadband capacity
2	Bring affordable, reliable integrated public transport closer to residential and industrial nodes and improve the provincial road network.
3	Strengthen regional economic competitiveness of the GCR.
4	Increase investment in the economic development of townships, declining nodes and peri-urban areas.
5	Promote labour absorbing industries (e.g. the food economy; tourism; social economy/co-production and community
6	Promote investment in new growth path sectors of the future: Green Economy, Knowledge Economy and Creative Industries.
7	Establish Agri-Parks and processing facilities to support the agricultural value chain.
8	Spend 1.5% of GDP on R&D.
9	Align infrastructure development programmes with green economy principles.
10	Invest in tourism infrastructure.
11	Invest in agro-logistics infrastructure.
12	Implement the Gauteng Infrastructure Master Plan and the Gauteng Integrated Transport Master Plan.
13	Support local manufacturing through mandating the State to purchase 75% of goods and services from local producers.
14	Turn taxi ranks into economic transport nodes with shared ownerships between operators, business, youth and women.
15	Implement a cumulative incubation programme to provide skills and jobs in various sectors including furniture, artisans, chemical, pharmaceuticals, and mining.
16	Reposition the GCR in line with global economic shifts.
17	Identify and take advantage of trade opportunities and sign Twin City Agreements with other city regions.
18	Support the African agenda for industrialisation and regional integration for sustainable and inclusive development.
19	Cement the GCR as the Gateway to Africa: R&D, trade, finance, logistics, business services, manufacturing, energy, etc.
20	Introduce SEZ, where feasible, to boost manufacturing, increase exports and employment, and add momentum towards turning Gauteng City Region into a single, multi-tier and integrated Special Economic Zone.
21	Launch the SMME fund to support the TER action plan.
22	Address the domination of agricultural inputs by big business and the monopoly domination of agro-processing and food retail.
23	Ensure that all SMMEs and township businesses contracting with the government are paid within 15 days.
24	<b>Central Corridor:</b> Consolidate Johannesburg's position as the Africa's financial and technological nerve centre and hub of innovation, research and development.
25	<b>Eastern Corridor:</b> Consolidate Ekurhuleni's position as Africa's largest Aerotropolis and the manufacturing and transport hub of SADC region.
26	<b>Northern Corridor:</b> Consolidate Tshwane's position as the Capital of the Republic and a hub of the Automotive industry manufacturing, innovation, R&D, aerospace and defence industries.
27	<b>Western Corridor:</b> Direct major efforts and resources into the regeneration and diversification of the West Rand economy through joint initiatives around tourism, agriculture and agro-processing and renewable energy projects.
28	<b>Southern Corridor:</b> Direct major efforts and resources towards the revitalisation of the economy of Sedibeng through the development of new nodes around the Vaal River (Vaal River City and Vaal Marina) and the development of the VUT precinct to include student accommodation and residences for staff.
29	Develop and implement the Gauteng Integrated Food Development Strategy.
30	Develop smallholder farmer development and support (technical, financial, infrastructure) for agrarian transformation.
31	Develop and implement policy on protection of high-potential agricultural land.
32	Change the architecture of the food supply chain to lower the cost of food in the GCR.
33	Delineate and implement an urban edge that protects agricultural land in the GCR.
34	Develop Gauteng Agriculture Potential Atlas.
35	Promote sustainable planning and development in the context of a rapidly urbanising region and growing population.
36	Transition to low carbon footpath and build resilience in Gauteng, focusing on mitigation (energy, transport, waste, industry and land-use sectors) and on adaptation (water, health, biodiversity, human settlements, disaster risk management).

36	Transition to low carbon footpath and build resilience in Gauteng, focusing on mitigation (energy, transport, waste, industry and land-use sectors) and on adaptation (water, health, biodiversity, human settlements, disaster risk management).
37	Combat GHG emissions across the province, including contributing towards the 42% reduction in total Greenhouse gas (GHGs) emissions by 2024..
38	Transition to more low carbon transit systems (e.g. within the BRT) within the public transport network.
39	Reform the energy sector through a focus on alternative energy to support the growth of a new sector along the entire value chain, including compressed natural gas, biofuels, solar and battery storage.
40	Implement renewable energy initiatives as part of a process of promoting the green agenda within the province, with initiatives to include the conversion of coal-fired boilers to gas-fired boilers in health facilities, installation of solar power in schools, and the implementation of water harvesting tanks.
41	Reform energy sector through a focus on alternative energy to support the growth of a new sector along the entire value chain, including Compressed natural gas, biofuels, solar, PGN and battery storage, looking both on the demand and supply side.

### NAYI LE WALK RESULTS: KEY FINDINGS

As a large economic model of South African economy, the LNP-MP produces projections of diverse indicators at national, provincial, district, municipal and industry levels. The realisation of the Nayi le Walk scenario require that we work together with national government, focusing and executing with a great sense of discipline the right policies, seven priorities and the more than 160 interventions to have the following dynamic impact:

- 1. Economic growth:** The size of Gauteng economy is expected to more than double over the next 11 years, from its current size of about R1 trillion rand to slightly above R2 trillion rand in 2030 prices.
- 2. Employment and unemployment:** The provincial economy is expected to add 3.1 million jobs to total employment by 2030. As a result, and taking into account the province's population growth, the unemployment rate is expected to halve from current 31% to close to 15% by 2030.
- 3. Per capita GDP:** The province's real per capita GDP is expected to increase by 70%, from about R68,000 currently to about R115,000 in 2030.
- 4. Poverty rate:** The Gauteng's Nayi-le-Walk growth path is estimated to reduce the provincial poverty rate by 40% over the next decade, from 25.3% in 2019 to about 16% in 2030.
- 5. Income inequality:** The high income inequality in the province, measured by the Gini index, is expected to decline by 8 percentage points over the course of the next 11 years. It is expected to decline from its current value of 70% to 62% by 2030.
- 6. Industrial restructuring:** The sector composition of output and employment is expected to change. The shares of primary and secondary sectors in total output and employment are likely to increase. Their sector shares of total output are expected to increase from 2.9 and 21.3 per cent to 4.2 and 35.3 per cent respectively. Their shares of total employment are also estimated to improve accordingly.
- 7. Nayi le Walk outlook across provinces:** The Gauteng's stride towards a Nayi le Walk outcome for the province is found to help propel other eight provinces towards their Nayi le Walk outlooks by raising their average growth rates and lowering their poverty, inequality and unemployment rates over the next decade.

We used a provincial model to establish that a provincial Nayi le Walk outlook is within reach. The Nayi le Walk policies at national and provincial levels enable Gauteng to make significant progress towards realising its vision of "a viable, equitable, prosperous and untied GCR".

## LINKED NATIONAL-PROVINCIAL MACRO-MICRO MODEL OF SOUTH AFRICA (LN-PMTM)

ADRS Linked National-Provincial Macro-Micro Economic Model (LN-PMTM) captures the dynamic interactions between an economy-wide macroeconomic model of South Africa, nine provincial economic models, and a microsimulation model of household taxes, transfers, poverty and inequality. The Gauteng economy, as an important driver of the South African economy, features prominently in the structure of the LN-PM through its strong forward and backward linkages to economic activities in other provinces and to economy-wide macroeconomic indicators. Simulations and projections of the model use various inputs that are exogenous to the model. These inputs include population data, policy parameters and other national and international parameters. Annexure B provides a brief non-technical description of LN-PM™.

Several features of the model make it ideal for impact analysis of alternative macro and micro policies for growth, industrial development, poverty and inequality. For example, the specification of the model provides necessary flexibility to capture the underlying structure of the South African economy and its nine provinces. It is inter-temporal and dynamic in nature. It is sufficiently disaggregated in terms of economic sectors, consumption goods and labour market-related variables to enable its effective link to the provincial and micro-simulation parts of the model. The integrated model is also designed to enable users to conduct dynamic, short-term and long-term policy simulation exercises. Following is a brief non-technical introduction to the LN-PM's three underlying models.

**LN-PM's macroeconomic component:** One of the three economic models that underlie LN-PM is ADRS multi-sector Macroeconomic Model of South Africa (MEMSA), developed to simulate the impact of changes in policies related to fiscal and monetary issues, as well as changes and shocks to economic sectors, private businesses, government and household incomes and expenditures. The model incorporates sector-specific estimations, designed to capture the differentiation between the determinants of specific variables related to different sectors of the economy. Therefore, at the macro level, LN-PM has a bottom-up approach to the determination of seven variables related to 45 economic sectors, and includes a significant number of policy parameters.

The model is relatively large, composed of more than 3,200 equations with about 400 estimated equations. Its main behavioural relationships include estimated equations for a number of aggregate variables, and estimations at disaggregate levels for output, investment, employment, wage rates, exports, imports, prices, consumption and investment deflators. Its underlying accounting relationships reflect bottom-up calculations of relevant variables at real and nominal levels; these ensure consistency in relation to the flow of income, expenditure, and savings in the economy. Therefore, the model solution for each period is consistent with the various identities required by the national account at real and nominal levels. Since the macro model is linked to a household model, a number of the accounting relations are met through household level information.

**LN-PM's provincial component:** The purpose of the provincial component of the LN-PM is to provide projections of key growth and development variables for each of the nine provinces in South Africa; these are based on each province's economic structure and their links to the rest of the country's economy.

The provincial model part of LN-PM includes the following features: (a) econometric estimation of more than 600 equations related to provincial investment, output and employment for 23 sectors of nine provincial economies. The estimated equations capture mainly key behavioural relationships between sectors of provincial economies and the corresponding sectors at the national level. The system of estimated equations functions as the bridge that links the model's national level macroeconomic and sector projections to the provincial level projections of three key economic variables; (b) about 700 equations that produce provincial projections for model variables other than investment, output and employment, such as capital stock, capital and labour productivity; and (c) nine input-output structures that capture sector linkages within provinces and between provinces and the rest of South African economy. Each province's input-output structure includes an integrated complementary input-output table for the "rest of South Africa" that together represent the South African economy as a whole.

**LN-PM's microsimulation component:** The modelling principle employed to build the South African household model is the microsimulation modelling technique. The South African model, which was originally built as a static model (Adelzadeh, 2001), has been expanded and complemented with dynamic properties for the purpose of linking it to the LN-PM's macro and provincial models. This enables the final model to (a) capture the two-way interactions between the macro-economy and household poverty and inequality, and (b) assess the impacts of diverse economic policy changes on poverty and inequality.

The main components of the model are its database and its tax and social policy modules. The South African model uses a micro-database of individuals and households that are provided by the Statistics South Africa's October Household Survey, the Income Expenditure Survey, the Census, and the Labour Force Survey. The model's database is prepared in terms of family units, because it relates closely to the definition of the financial unit used by many of the government tax and transfer programmes. The model's database includes 125,830 individuals, making up 61,684 families or 29,800 households. It includes weights for individuals, families and households, which are used to translate each of the three samples to their corresponding populations for a given year. Each unit record includes more than 400 columns of information for each individual in the family – including demographic, labour force, marital status, housing and income and expenditure information.

The South African microsimulation model includes government taxation policies that affect households (i.e., direct and indirect tax policies) and four of the current social security programmes (i.e., old age grant, child support, disability grant and care dependency grant). It also includes five other grant programmes (i.e., caregiver support, the basic income grant, youth grant, unemployment grant and adult grant) that are not currently part of the social security system in South Africa but can nonetheless be used to develop "what if" scenarios.

**Macro-micro-provincial interactions in LN-PM:** The model establishes two-way interactions between its macro, provincial and micro components such that: (a) changes in macroeconomic variables (e.g. changes in prices, employment, wage rates, benefits, transfers) and changes in national level industrial sectors influence provincial economic performance and the welfare of individuals and families at national and provincial levels; (b) changes in provincial economies affect national economic performance and households; and (c) changes in household level economic conditions (e.g. poverty, inequality, consumption, taxes, eligibility for social grant) influence macroeconomic and provincial outcomes. The Gauss-Seidel iterative method and a calibration procedure are used to solve the overall system, taking into account interactions between the different components of the model. Each period's results reflect convergence of the macroeconomic variables, provincial variables and household level variables at the aggregate level. Therefore, the three models are dynamically integrated and generate time-based results that reflect the actual process of policymaking and evaluation.

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<b>ABCD</b>	Asset-Based Community Development	<b>TER</b>	Township Economy Revitalisation
<b>AfCFTA</b>	African Continental Free Trade Area	<b>TMR</b>	Transformation, Modernisation and Reindustrialisation
<b>AGM</b>	Annual General Meeting	<b>UCLG</b>	United Cities and Local Governments
<b>ANC</b>	African National Congress	<b>UISP</b>	Upgrading of Informal Settlements Programme
<b>BPO</b>	Business Process Outsourcing	<b>UJ</b>	University of Johannesburg
<b>BPS</b>	Business Process Services	<b>Wits</b>	University of Witwatersrand
<b>BRT</b>	Bus Rapid Transit		
<b>CBD</b>	Central Business Districts		
<b>CoJ</b>	City of Johannesburg		
<b>CoT</b>	City of Tshwane		
<b>CoE</b>	City of Ekurhuleni		
<b>CPF</b>	Community Policing Forums		
<b>CSIR</b>	Council for Scientific and Industrial Research		
<b>DDI</b>	Domestic Direct Investment		
<b>DoE</b>	Department of Education		
<b>DoH</b>	Department of Health		
<b>DID</b>	Department of Infrastructure Development		
<b>ECD</b>	Early Childhood Development		
<b>FDI</b>	Foreign Direct Investment		
<b>FLISP</b>	Finance-Linked Individual Subsidy Programme		
<b>GBN</b>	Gauteng Broadband Network		
<b>GBV</b>	Gender-Based Violence		
<b>GCRO</b>	Gauteng City Region Observatory		
<b>GCR</b>	Gauteng City Region		
<b>GCRO</b>	Gauteng City Region Observatory		
<b>GDP</b>	Gross Domestic Product		
<b>GHG</b>	Greenhouse Gas		
<b>GIFA</b>	Gauteng Infrastructure Investment Agency		
<b>GIIMP</b>	Gauteng-City Region Integrated Infrastructure Master Plan		
<b>GPG</b>	Gauteng Provincial Government		
<b>GSDF</b>	Gauteng Spatial Development Framework		
<b>HDI</b>	Human Development Index		
<b>HSRC</b>	Human Sciences Research Council		
<b>ICBT</b>	Informal Cross-Border Trade		
<b>ICT</b>	Information and Communications Technology		
<b>IDP</b>	Integrated Development Plan		
<b>IGR</b>	Intergovernmental Relations		
<b>IUDF</b>	Integrated Urban Development Framework		
<b>LGBTIQ</b>	Lesbian, gay, bisexual, transgender, intersex and queer		
<b>MFMA</b>	Municipal Finance Management Act		
<b>MTSF</b>	Medium-Term Strategic Framework		
<b>NDP</b>	National Development Plan		
<b>NSDF</b>	National Spatial Development Framework		
<b>NUA</b>	New Urban Agenda		
<b>PPE</b>	Personal Protective Equipment		
<b>QoL</b>	Quality of Life		
<b>SDF</b>	Spatial Development Framework		
<b>SDG</b>	Sustainable Development Goal		
<b>SEZ</b>	Special Economic Zones		
<b>SMME</b>	Small, Medium and Micro Enterprise		
<b>SONA</b>	State of the Nation Address		
<b>SOPA</b>	State of the Province Address		



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