

VOTE 3

DEPARTMENT OF ECONOMIC DEVELOPMENT

To be appropriated by Vote	R 296 375 000
Responsible MEC	MEC for Economic Development
Administering department	Department of Economic Development
Accounting officer	Head of Department

1. STRATEGIC OVERVIEW OF INFRASTRUCTURE PROGRAMME FOR 2006/07 MTEF

Blue IQ Investment Holding (Pty) Ltd

One of the key infrastructure programmes in the Gauteng province is Blue IQ Investment Holding (Pty) Ltd. The objective of this programme is to undertake or invest in identified projects and enable increased private sector investment, through the utilisation of legally recognised commercial enterprises. The projects under the Blue IQ programme include:

- Gauteng Auto Cluster (Pty) Ltd (AIDC)
- Supplier Park Development Company (Pty) Ltd (SPDC) - Rosslyn
- Newtown Cultural Precinct - including Nelson Mandela Bridge
- Wadeville - Alrode Infrastructure program
- The Innovation Hub
- City Deep Infrastructure program
- Walter Sisulu Square of Dedication (WSSD) – Kliptown
- Blue Catalyst
- Johannesburg International Airport (JIA) Infrastructure program – Atlas Road
- Constitutional Hill

The following projects remain part of the Blue IQ programme but are managed as special projects within the department:

- Cradle of Humankind World Heritage Site
- Dinokeng

The current challenge for Blue IQ Investment Holding (Pty) Ltd is to continue to guide the implementation of its key projects and to ensure that these projects operate as successful commercial enterprises. It was therefore of utmost importance that Blue IQ put in place the necessary skills and structures to facilitate phase three of its strategic plan, namely, the successful operation of its projects as commercial entities in partnership with key external players.

Blue IQ thus acts in three key areas; these focus areas are in many respects interrelated and each area is central to Blue IQ's ability to significantly and positively alter the trajectory of the Gauteng economy. Firstly, Blue IQ seeks to consolidate its assets in the corporate with those of municipalities to build a strong balance sheet based on valued land holdings and a solid operational performance. Blue IQ is guided by the understanding that the achievement of this goal will attract and give confidence to important private sector partners to participate and develop the Blue IQ enterprise further and drive the objective of accelerated growth and economic prosperity for all. Secondly, Blue IQ seeks to improve operational performance in the underlying enterprise as this makes the objectives above sustainable. This may involve additional investments in infrastructure or operational capacity. It is imperative that each investment provides both a social and economic return for the enterprise and the province. Lastly, Blue IQ seeks to strategically stimulate greater private sector investment in public sector initiatives by making these assets available for purchase at the appropriate time with the understanding that the development path for the enterprise and the objectives of the province are absolutely aligned into the foreseeable future.

The company has successfully completed the first phase of its existence and has established a range of projects that have impacted significantly on the industries that contribute to Provincial Gross Domestic Product and positively changed the trajectory of the Gauteng economy. Institutions such as Blue Catalyst and the Innovation Hub are now fully constituted corporations. It has taken a considerable amount of strategic and practical effort to combine the influence of the province's

key private and public sector figures (who often operate in isolation from each other) in these two structures. The majority of the funding required going forward, except for the Innovation Hub and Automotive Supplier Park (ASP), is necessary for operational purposes whilst the commercial business plans that will ensure long term sustainability are being developed.

The vision behind these two projects requires emphasis. Blue Catalyst seeks to assist the development of Small and Medium Enterprises with regards to technology-driven products or services – businesses with scalability that will be able to move out of the Blue Catalyst incubator via a venture sale to operate in the market. Blue Catalyst also aims to facilitate the development of innovation in the SMME market by ensuring that the natural barriers to entry, in terms of finance and access to critical, non-financial support, are significantly lowered.

The Innovation Hub's function is to link South African innovators of all types. Via the Innovation Hub, these innovators are able to collaborate and develop technologies and commercial products that deliver on the needs of an evolving and technology hungry market. Through this structure our innovators now have access to major industry players who hold a presence at the centre of our economy. Our emerging innovators are now also able to access key global companies and the resources they offer in terms of the development of ideas, products and services.

Blue IQ has also been a driver of projects that are more visible to the public eye. These include the development of critical infrastructure around Wadeville - Alrode, the Atlas Roads projects - Johannesburg International Airport and the City Deep (and Cleveland road) upgrades. The Kliptown project was also completed in the current financial year.

Blue IQ has had a major impact on the province's automotive sector through the creation of the Automotive Supplier Park (ASP) and the Automotive Industrial Development Centre (AIDC). The success of these projects in transforming the local automotive sector can be ascribed to the sound link between strategic intent (the AIDC) and the delivery of a practical, effective, collaborative structure on ground level (ASP).

Blue IQ Holdings completed its institutionalisation process in terms of complete compliance with the Public Finance Management Act (PFMA) and its proper categorisation as a Schedule 3(c) public entity. Completing this compliance process will allow the company to commercially restructure its balance sheet to take on more debt, and this ability is central to Blue IQ's capacity to leverage against its assets on the balance sheet schedule; this will enable Blue IQ to continue to act as an effective interventionist economic entity, with a lowered dependence on the Gauteng fiscus to facilitate this process.

Table 1: BLUE IQ PROJECTS PAYMENTS SUMMARY

	2000-4	2004/05	2000-5	2005/06	2006/07	2007/08	2008/09
	Audit Outcome		Total Expenditure	Adjusted Appropriation	Medium-term estimates		
Operational Budget (OPEX)							
AIDC	94,216		94,216	20,000			
Newtown	355,130	19,212	374,342	4,881			
Constitutional Hill	284,228	123,396	407,624	14,977			
Subtotal OPEX	733,574	142,608	876,182	39,858			
Capital Budget (CAPEX)							
Auto Cluster	268,180	90,766	358,946	30,268			
Kliptown	143,168	127,138	270,306	28,603			
The Innovation Hub	172,163	107,735	279,898	36,436			
City Deep	57,323	7,857	65,180				
JIA	164,030	116,535	280,565	10,578			
Wadeville Alrode	83,272		83,272				
Subtotal CAPEX	888,136	450,031	1,338,167	105,885			
Total Payments & Estimates: Blue IQ	1,621,710	592,639	2,214,349	145,743	79,231*	93,211*	138,211*

* Note: The MTEF figures have not yet been allocated amongst the projects at the time this statement was to be printed.

SPECIAL PROJECTS

Gauteng Provincial Government (GPG) Precinct Needs Analysis

At present, GPG accommodation and property arrangements do not provide the basis from which effective delivery of services can take place. Specific departmental needs such as accessibility to the public are in certain cases not being catered for and the operational linkage between different departments is inefficient. Growth of staff numbers in certain departments has created a situation where these departments had to be accommodated in different buildings scattered throughout the Johannesburg Central Business District (CBD). The staffing outlook for the next five years of the various departments has necessitated an urgent review of future accommodation requirements. Security concerns for GPG staff have escalated during the past years and with the current scattered accommodation the situation has become worse.

The existing leases entered into by GPG are a mix of various types (gross and net), various different services levels and standards at different rental rates. Various departments had to contract separate services with parties other than the landlords in order to acquire the services normally expected in an accommodation service, example, cleaning, security, Information Communication Technology (ICT), waste management, etc. GPG identified the need for a centralised and combined procurement of these types of services to gain from the resultant economies of scale.

The concept of a provincial government precinct originates from a resolution of the Executive Council of the Gauteng province to procure head office space accommodation in the Johannesburg CBD for use by provincial government departments. The Department of Public Transport, Roads and Works (DPTRW) was mandated with the procurement and management of such office space for use by provincial departments.

The primary objective of such a precinct would be to physically bring together the different GPG departments in a cost-effective and efficient manner. An added incentive would be that a government precinct of this kind could play a significant role in the revitalisation of the Johannesburg city centre, and the creation of a civic focal point for the city. The overall government precinct bounded by President Street, Rissik Street, Kort Street and Main Street was given to the team as the possible working area, in which specific complex options would be located.

Project key objectives

- Improve service delivery by provincial departments through efficient functional interrelation and openness to the public and community at large;
- Identify a vehicle of changing equity ownership of the property estate in the CBD through socio-economic, empowerment and developmental objectives of the project;
- Improve space functionality and working environment accommodating projected growth of various departments in the coming years and allowing flexibility in structures;
- Eliminate process and work disruption by stability of tenure;
- Create an urban design of a government precinct through consolidation of office space structures that will act as a stimulus for urban regeneration and socio-economic empowerment.

The project is to be procured through a Public Private Partnership (PPP) where the private partner is to design, finance, build, maintain and operate the office accommodation on behalf of GPG. The concession period is envisaged to run for a period of 25 years, after which assets will revert back to GPG. During the concession period, GPG will be liable to pay the private partner a unitary payment for the provision of serviced accommodation.

Cradle of Humankind

The vision of the Cradle of Humankind World Heritage Site project is to conserve and sustain the development as a premier tourism destination contributing to job creation and economic growth, creating a better life for all who live and work in and around the Cradle of Humankind and offering visitors a unique world class experience and scientists a well managed site for ongoing research.

The mission is to:

- Invest in strategic economic infrastructure and crowd in private sector tourism activity;
- Invest in visitor facilities creating a network of attractions connected by scenic routes;
- Maximize broad-based black economic empowerment and the development of small, medium and micro enterprises;
- Conserve the uniqueness and integrity of the site and support further research;
- To support local development projects;
- Support local development projects;
- Consult with and involve all interested and affected parties in the management and development of the site.

Strategic priorities

The Cradle of Humankind destination is based on the preservation, exploration and interpretation of the story of humanity. The project area is 47,000 hectares in extent and is located in the north west of the province. The key strategic priorities of the Cradle of Humankind World Heritage Site project are to:

- Preserve a palaeo-anthropological site of unique international significance;
- Establish an institution to mobilize international and domestic interest and resources for the protection and development of the site as the showcase site of the origins and story of humanity;
- Contribute a key destination to tourism destinations in Gauteng and South Africa;
- Provide capital investment that will allow for the leveraging of private investment in the area;
- Establish PPP transactions for the development of significant tourism offerings in the project area;
- Add value to local development, tourism and job creation strategies;
- Facilitate the delivery of socio-economic benefits to residents of the area;
- Facilitate skills development and training programmes.

The Cradle of Humankind World Heritage Site is demarcated as a District Management Authority. The Cradle of Humankind World Heritage Site Project is an integrated project involving different departments in all three spheres of government. Service Level Agreements or Memoranda of Understanding have been developed with all key partners and related task teams established to implement joint programmes.

A master plan for the development of the Cradle of Humankind World Heritage Site was completed in 2001 and sets out a strategy and an institutional model for the development and protection of the site. The master plan envisages a network of Interpretative facilities intended to:

- Promote scientific research;
- Promote educational and learning opportunities;
- Facilitate appropriate access strategies;
- Integrate, co-ordinate and optimize the sustainable use of resources;
- Provide a tourist attraction of international, national and local significance.

The following network components are envisaged:

- A primary interpretation center, with focused exhibitions on two sites, namely: Maropeng (previously known as Mohale's Gate) and Sterkfontein Caves;
- Fossil site specific interpretation facilities at excavated sites;
- Visitor information points;
- Visitor Orientation Centers at 4 key geographic points: the N14 access route; Muldersdrift; Lanseria Airport / R512; Magaliesburg Village; and a fifth at Hartebeespoort Dam in the North West province. The Visitor Orientation Centre sites are spatially located in a circle around the project area and means that from whichever direction a visitor approaches the site, they would first encounter one of the Orientation Centers. The logic behind the development of Visitor Orientation Centers is twofold. Firstly, to inform and orientate the visitor to what is available in the site as a whole and to enable the visitor to make not only informed choices about what to visit, but also to plan and undertake repeat visits to the area, because of the information available at these facilities. Secondly, the purpose of the Visitor Orientation Centers is to provide, in them, information about the network of tourism offerings connected to the fossil sites and visitor information points.

KEY OBJECTIVES AND OUTCOMES: CRADLE OF HUMANKIND

Key Departmental Objective/ Milestones	Strategy	Outcome (Goal)	Performance	Service delivery target
Enabling faster economic growth and job creation	Enter into PPPs for the construction of the interpretation centre complex and aligned orientation centres	Contribution to economic growth and sustainable job creation	Number of orientation centres constructed	ICC and 4 orientation centres constructed
	Investment in the development of roads and bulk infrastructure		Number of jobs created	1,800 temporary and 600 permanent jobs
	Implementation of an integrated tourism development plan	Increase in tourism numbers	Roads constructed or rehabilitated Number of tourists visiting	Road D400 (W) and D374 500,000 p.a.
Fighting poverty and building safe, secure and sustainable communities	Provision of a range of community benefits	Facilitating the provision of suitable housing	Number of housing units	70 housing units
	Natural Resource Management Expanded Public Works Programme	Rehabilitation of degraded natural environment	Number of people in short-term jobs	75
		Development of community based tourism businesses and institutions	Number of business and /or institutions	4

Key Departmental Objective/ Milestones	Strategy	Outcome (Goal)	Performance	Service delivery target
Developing healthy, skilled and productive people	Implementation of skills training and capacity building programme	A better educated and productive workforce	Number of persons trained in various programmes	200 p.a.
Deepening democracy and promoting constitutional rights	Ongoing stakeholder participation	Ongoing input from stakeholders on developments	Number of public meetings held	6 p.a.
	Promote educational and learning opportunities	Increased understanding of the WHS and access to related job opportunities	Number of educational events	5 p.a.
Building an effective and caring government	Donor fundraising and disbursement for public benefit	Support of community income generation initiatives and scientific research	Amount of donor funding raised and disbursed	US\$20 million in donor funding for capital developments
	Support of poverty alleviation projects	Viable community development projects which will provide income for members	Number of temporary jobs created	100 p.a.
	Ensure sustainable development best practise in the development of the project	Achieve balance between economic growth, social development and environment	Number of land use and cultural resource management plans and agreements	15

Dinokeng (North Eastern Gauteng Initiative – NEGI)

The vision of Dinokeng is the establishment of a tourism destination based on nature, wildlife, landscape, cultural and historical attractions, comprised a network of tourism hubs and nodes connected by scenic routes, in an area extending over some 2,400km² north and east of Tshwane.

The mission of Dinokeng is to establish, manage and facilitation of conservation based tourism development in the north eastern quadrant of Gauteng that will result in the creation of jobs and increased economic growth in the area.

Dinokeng aims to contribute to economic growth and job creation by investing in the development of strategic economic infrastructure and crowding in private sector investment in the growth of tourism in the north east of the province.

The key strategic priorities of the Dinokeng project are to:

- Promote economic growth and socio-economic development through tourism and conservation, as well as the related commercial use of the natural, historical and cultural resources to be found in the area;
- Make strategic investments in infrastructure such as roads, tourism routes and signage;
- Promote the upgrading of existing levels of electricity supply and communications services;
- Establish PPP transactions for the development of significant tourism offerings in the project area;
- Facilitate the development of necessary institutional arrangements needed for the sustainable growth of tourism in the area;
- Facilitate the delivery of socio-economic benefits to residents of the area;
- Stimulate small business and links between small enterprises and established tourism operators;
- Facilitate skills development and training programmes.

KEY OUTCOMES: DINOKENG

Programme Outcome	Performance Indicator
Increased job creation opportunities through labour intensive methods / opportunities for SMME's	Number of jobs created
Increased private sector investment through establishment of Public Private Partnerships	Establishment of hubs and nodes
Increased private sector investment in tourism facilities as a result of the establishment of the game reserve	Investment in new tourism offerings
Rehabilitation of degraded natural environment	Number of short term jobs created
Increased quality of human resources	Number of people trained to National Qualifications Framework (NQF) standards
Increased representivity in Local Tourism Organisations	Number of institutions
Increased Historically Disadvantaged Individuals (HDI) ownership of tourism products	Percentage of the total available tourism products owned by HDI's
Increased economic opportunities and activities in wildlife and eco-tourism	Number of HDI represented in skilled employment in tourism sector
Increased market awareness of Dinokeng as a tourist destination	Occupancy levels in tourism establishments Awareness of Dinokeng as tourism destination amongst Gauteng adult population Value of media coverage of Dinokeng
Informed local public	Number of meetings Local media coverage of Dinokeng
Social stability	Implementation of provincial human settlement strategy

2. REVIEW OF THE 2005/06 INFRASTRUCTURE PROGRAMME

Automotive Industry Development Centre (AIDC)

The AIDC has continued to provide support to the automotive industry through skills development and improvement in the efficiencies. The concentration has been on the supply chain development and shop floor improvements.

Newtown

Newtown is becoming the creative capital of Johannesburg and South Africa. Newtown is a progressive environment, a dynamic, vibrant, sophisticated and cosmopolitan area. Investors are increasingly interested in the area, reflected by an increase in the rate of new developments and refurbishment of properties, and in particular, the successful land release process at Central Place.

The number of both local and international visitors to Newtown has increased due to the growth in the cultural offering provided in the area and due to the fact that the public environment, safety and access issues have been satisfactorily addressed. The total visitor numbers for 2004/05 for Newtown were 404,048 for both indoor venues and the Square and Newtown Park. Major developments during the year included the opening of No.1 Central Place, home to Kaya FM and the Gauteng Tourism Authority. The opening can only be described as a marketing coup with live broadcast on SABC's Morning Live and SABC Africa's 180 Degrees and watched by over 40 million Pan African viewers.

Another improvement to the area is the Metro Mall development. Situated at the north end of Newtown near the Queen Elizabeth Bridge, the Metro Mall development is one of the biggest taxi and bus interchanges in Johannesburg. Currently it caters for an estimated 150,000 taxi and bus commuters travelling in and out of the city every day. The Metro Mall also accommodates safe and convenient trading facilities for 600 informal traders and 3,000 square metres of formal retail space.

Most importantly, the initial objective of the project which was to crowd in private sector investment is being realised. It is expected that private sector will be investing in housing developments in the area.

Constitution Hill

Two years ago Constitution Hill was mostly an unknown, invisible and unacknowledged place. The site's history of injustice and brutality remains to be told. The site is the home of the Law of the Constitution, a place where human rights for every South African citizen will be guaranteed. This heritage site is an internationally important symbol for the new South Africa.

Annually over 70,000 visitors, both local and international alike, are impressed with Constitution Hill, and this visitor figure is showing a steady increase. The State President inaugurated the new Constitutional Court to an international audience of jurists and other dignitaries as part of the country's ten years of freedom and democracy celebrations. The super basement was completed in June 2005. The Women's Jail commercial accommodation started construction in January 2004 and was completed by December 2004. Upgrades to Hospital and Joubert Extension Streets were completed by April 2004.

Short term repairs and renovation to the heritage buildings started in December 2003 and finished in May 2004. The bid for the preferred hotel developer and operator was made in August 2003. Overall progress has been swift and the successful relocation of the City mortuary from the Constitution Hill site took place early July 2003. The Constitutional Justices and their support staff took occupation of their new accommodation in mid February 2004, in time for the official opening.

The development had rendered sporting facilities for the community of Hillbrow and surrounding areas unusable and a decision was taken to replace them through the development of same facilities at Barnato High School. These facilities will be shared by the school and the surrounding community and managed by the City of Johannesburg's Department of Sports. This project was funded by the National Lottery Distribution Fund and was completed by May 2005.

The creation of hospitality, commercial and residential developments on site has been delayed as a development partner has not been secured. The key issue at Constitution Hill remains the delays in implementing the institutional arrangements and securing a private sector developer. Had this proceeded according to plan, then a developer would have been appointed in June 2005.

Tenancing the site is continuing unabated. To date, some of the Constitutional Chapter 9 Commissions have moved or indicated a desire to move to the site, notably the Commission of Gender Equality (CGE), the Regional Public Protector,

Commission for the protection of Cultural, Religious and Linguistic (CRL). Ongoing negotiations with the Human Rights Commission and the Independent Electoral Commission should see the development moving closer to its goal of being a Constitutional Campus. Other private non-government organisations already located on the site include Behind the Mask, Forum for the Empowerment of Women and South African Institute for the Advanced Constitution, Public Human Rights and International Law (SAIFC). Lease agreements have been signed with the Johannesburg Property Company to move to the site once development Block B is complete. The coffee shop and museum shop are operational and doing sound business. The Heritage, Education and Tourism (HET) component is growing at a steady pace. The site had already been visited by over 70,000 visitors since the opening of the Court in March 2004. Ongoing programming of temporary and permanent exhibitions, venue hire and school tours have started to have a positive impact. The installation of the Women's Jail was launched to coincide with the move of the CGE to the site. The event was broadcast live on SABC's Morning Live and 180 Degrees to a Pan African audience of over 40 million viewers. The publicity has a Rand value of R20 million. The Nelson Mandela Foundation has confirmed the permanent location of the Nelson Mandela Centre for Memory and Commemoration at Constitution Hill.

Investment by philanthropic organisations for the HET aspects of this development have been made possible by the generous support of the Atlantic Philanthropies, Ford Foundation, the Mott Foundation, the Kellogg Foundation, the Open Society Foundation and Conference, Workshops and Cultural initiatives (CWCI). These investments were particularly invaluable towards preparing the site to start receiving visitors.

Automotive Supplier Park (ASP)

This intervention in the automotive industry has proven to be very successful in assisting that industry become more internationally competitive. In 2005/06, the ASP could positively support the introduction of the new BMW 3 Series as well as further export programs of Ford South Africa (SA) and Nissan SA. With more than 13 suppliers operating we will have approximately 2,000 people directly employed within the boundaries of ASP; with an additional indirect employment impact of another 2,000 people. The capital spending by suppliers as well as ASP did result in over 8,000 job opportunities since 2002. Besides supporting the local automotive industry we could attract total new investments into the country and are on target with the introduction of new services. The concept has become a recognized national and international benchmark. ASP is not dependant on Blue IQ subsidies for operational activities and only taps into Blue IQ investment for capital expenditure and expansion, as the company is restricted in terms of borrowing.

CONTRACTS AWARDED: ASP

	2005/06 (57% ON BBBEE)
SMME	66%
BBBEE	47%
Women	9%

Kliptown

The provincial government funded portion of the Kliptown project and was completed in October 2005. The actual square was officially opened by the president in June 2005. An amount of R299 million provincial funding went into the development of the Walter Sisulu Square, the sewage upgrade, visitor centre and taxi rank upgrade. The tender for the development and management of the hotel has been awarded to the private sector.

The Innovation Hub

This year saw the move from pilot activities to the occupation of the completed 12,500 m² Hub buildings. Simultaneously, Sappi Manufacturing (Pty) Ltd took occupancy of their 6,000 m² Technology Centre as an anchor resident. The opening also saw the completion of the N1 freeway Access Bridge and upgrades to the N4 freeway bridge at the Cussonia Road junction.

The tenant uptake has surpassed the property industry's forecasts and a waiting list is now developing and being used to stimulate development of private sector investment in leasehold buildings. Progress in the intake of new companies in the Maxum Business Incubator has also showed a promising trend, 13 companies are in Maxum Business Incubator and this is expected to grow to 15 by year end.

The demand for land only started in earnest once the site was occupied and active. Of the 10 unoccupied land parcels in Phase 1 – 3 totalling an available bulk of 58,104m², negotiations are taking place on approximately 52,000m² (bulk) of new developments, all fitting The Hub's entry criteria. It is expected that land sales will be finalized in the third quarter and construction will begin in early 2006 on over 10,000m².

Other Hub activities continue to attract business interest. The CoachLab expanded to include EPI-USE, Vodacom and Cisco as business partners and the University of Pretoria along with Tshwane University of Technology as academic institutions; 13 postgraduate students were accepted from over 80 applicants showing the growing prestige and significance of the programme. Other projects with the Youth Development Trust, USAID and Finnish Embassy have shown promise. The Hub's Conference Venue is proving attractive for both residents and outside companies. This has also allowed expansion of the INNOV8 community which is acknowledged as the most significant high-tech network in Gauteng, with now over 4,000 members and growing. Events are still oversubscribed despite the increase in capacity.

The year promises to be a watershed for the Innovation Hub development showing the full potential of an active and productive science park.

Johannesburg International Airport (JIA)

The infrastructure development portion of this project has been completed. This entailed the construction of the Atlas road interchange with the Pretoria – Kempton Park freeway and the doubling of 5,5 kilometres of Atlas road between Elizabeth Road in Boksburg and the new interchange in Kempton Park, to provide access to the proposed JIA Industrial Development Zone. This road construction has resulted in the formation of a ring road system around JIA with a high standard of accessibility and will improve the prospects of economic development of the proposed hi-tech manufacturing cluster.

These road projects were important in that they provide:

- Reliable and fully fledged ring road around JIA will result which will ease congestion;
- Accessible land to be earmarked for development;
- Expansion of the industrial base around JIA with more export oriented hi-tech industries locating in the region;
- Entrenchment of JIA as a global Logistics Hub and as a gateway to the avionics and aerospace fields;
- Development of skills applicable to industries being clustered.

SPECIAL PROJECTS

Gauteng Provincial Government (GPG) Precinct

GPG appointed the Precinct Project team to undertake a feasibility study in order to determine the viability of a government precinct in the Johannesburg Central Business District. The project team undertook a building audit of the identified overall government precinct during August and September 2001 and, based on this survey, 8 possible complex options were outlined. From these 8 options, a final 4 options were extracted. The GPG steering committee then decided to focus on Complex 7 as the most viable option, in terms of the testing process applied. From the detailed space requirement analysis, 150,000m² office space is required which takes into consideration departmental staff projections up to 2007. Subsequently, the process of securing the buildings within Complex 7 was analysed and investigated. It was resolved that the most efficient way of approaching this exercise was to acquire options to purchase the designated buildings for GPG by the property transaction team comprising government officials, the legal adviser, the property economist and a specialist property broker. These options were subsequently exercised. Buildings were acquired in the Johannesburg CBD within the chosen Complex 7. All Precinct buildings have been successfully transferred to GPG. A conditional Treasury Approval 1 was granted by the National Treasury in May 2004.

This approval was granted subject to the following key conditions:

- The full funding responsibility for the purchasing of the buildings of the project resides solely with Gauteng province;
- GPG must purchase the buildings itself, not through an enabling company, and retain ownership of these buildings throughout the concession period;
- GPG must ensure that the approvals pending in terms of Heritage Resources Act for the buildings to be demolished be obtained before GPG can release the procurement documentation for this project. This issue caused the most significant delays as it involved various public participation periods and time waiting for approvals. GPG has been granted full approval to demolish all 10 identified buildings within a period of 2 years from 17 October 2005. Although this process has been drawn out and has caused unforeseen delays, GPG is now in a position to obtain final TA1 approval. However, the South African Heritage Resource Act (SAHRA) decision is still under scrutiny through an appeals process and should the SAHRA decision be reversed, the project could face more delays due to redesign and or total rethink. This issue should be resolved by the end of February 2006.
- The affordability and value for money limitations for the project must be constantly applied.

The following has been achieved to date:

- The GPG involvement in the heritage impact assessment (HIA) study has been completed with the granting by SAHRA of a demolition permit. The HIA process is now at the appeal stage where interested and affected parties have appealed to the National Minister of Arts and Culture. This process is underway, pending a decision from the Minister.

- Environmental Impact Assessment (EIA): As a pre-requisite for envisaged demolitions, the creation of a public square and a proposed underpass, the environmental investigation as required by DACE is currently being undertaken. This is in the process and a draft scoping report has been made public. A final report will be submitted to DACE by mid January for final approval.
- The documentation for the Request for Proposal is currently being prepared.
- The Provincial Treasury has approved the operation of a Trading Account which will be operated on behalf of all government departments to be housed within the Precinct. In the interim, GPG is currently responsible for providing facility management services, ensuring that the buildings remain in an acceptable condition throughout the procurement process.
- Interim Accommodation Plan: The delay in the project due to lengthy HIA and EIA processes has impacted on the current accommodation needs of various departments. Some departments occupy buildings that are leased within and outside the Precinct area, that are due to expire during the course of 2005. Some departments are expanding and as a result require more space. The interim accommodation plan is currently being developed and a recommendation to address the space needs of various departments will be tabled.

One significant issue has recently emerged – this is the inclusion of the Provincial Legislature in the Precinct Project. In order to facilitate this, the GPG Precinct Project would require an additional 4 months of work in order to finalise the RFQ, HIA and EIA processes. Over and above the conditions listed above, GPG decided to include the initial construction of the Matlotlo Extension new building (part of the Matlotlo Complex) into the Precinct Project. The creation of the Matlotlo Complex entails the refurbishment of the Old Reserve Bank as Phase 1; and Phase 2, the demolition of the existing 2 buildings (Clegg House and Old SARB) and the construction of a new building to be called Matlotlo Extension. A recent decision was taken to complete Phase 1 on Economic Development' budget but to include the construction cost of phase 2 of the new Matlotlo Complex in the Precinct project as part of the PPP. As a result of the above conditions it became necessary to submit an addendum to the initial feasibility study report to address the above issues and to prove that the affordability limit that had been approved will be maintained.

Table 3: GPG PRECINCT PAYMENTS SUMMARY

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/2010
R thousand	Audited Outcome		Adjusted Appropriation	Medium-term estimates			
Professional Fees (feasibility)	23,356	7,074	7,465	9,582	16,975		
Professional Fees (space planning, communication)			2,850				
Subtotal Professional Fees			10,315	9,582	16,975		
Capital Expenditure		138,624					
Facilities Management			24,416	25,881	27,434	16,964	
Interim Accommodation Plan			35,250	35,250			
Unitary Payment (implementation)						151,944	386,545
Total Payments & Estimates:							
GPG Precinct	23,354	145,698	69,981	70,714	44,409	168,908	386,545

Cradle of Humankind World Heritage Site

The major undertakings thus far in the Cradle of Humankind World Heritage Site Project are the completion of detailed master planning for the development of the 47,000 hectare area; the signing of a PPP concession agreement and the completion of the design, construction and exhibition installation at the Maropeng visitor interpretation centre and the Sterkfontein Caves visitor orientation centre; tourism planning, development and destination marketing for tourism attractions in the area now numbering 275 and the maintenance of stakeholder participation and communication.

The Maropeng visitor interpretation centre is located on a 100 hectare site, donated to government by Standard Bank and the Sterkfontein Caves visitor orientation centre is located at the Sterkfontein Caves owned by the University of Witwatersrand. Maropeng a'Africa (Pty) Ltd (formerly the Furneaux Stewart GAPP consortium) was chosen as the concessionaire for this project. The developments at Sterkfontein Caves are completed and the facilities were officially opened by the Deputy President at an event on 29 September 2005. The facilities at Maropeng were officially opened by the President on 7 December 2005 and the final phases of the Maropeng development will be completed in early 2006.

The construction of the visitor centres, together with associated road and other bulk infrastructure provision has led to the creation of some 600 permanent and 1,200 temporary jobs (plus an additional 600 jobs for road construction).

The master plan also refines the zoning of the area and establishes limits of acceptable change in each area and provides for a specific management plan for each paleontological site. The requirements for the upgrading of roads and the development of bulk infrastructure and telecommunications is also set out in the master plan.

The unit has negotiated and concluded management agreements with 11 fossil site landowners, thereby ensuring the protection and best practise use of these important sites. In line with the requirements of the master plan and also in compliance with the requirements of the concession agreement, bulk infrastructure has been provided to the 2 sites of Maropeng and Sterkfontein, as well as contracts concluded regarding road upgrades in the area.

The growth of tourism in the area is well underway and tourism numbers are expected to rise from the current 400,000 to approximately 1,000,000 with the provision of new tourism offerings. Tourism attractions have grown from 83 in 2001 to 275 at present with an estimated 3,500 permanent and 1,000 casual employees.

In addition a scheme for on site housing development in the area has been developed and will be operationalised. Public works based ecological management programmes have been initiated, including the burning of the road reserve to prevent accidental fires and the clearing of invasive vegetation. These initiatives will be expanded in future.

The management of the project requires interaction with a range of research and scientific interests. The relationship with the academic community provides the project with professional knowledge that is not retained in-house by the project. The project therefore regards these working relationships as extremely important for advice and involvement in the development of the project. The involvement of and collaboration with the University of Witwatersrand is central to this working relationship.

The role and involvement of individual stakeholders with business interests in the development of the site is likewise essential as the area is almost wholly privately owned and the development of the area requires collaboration with respect to the scope and sequencing of development.

The generation of community benefits through diverse revenue streams is a prerequisite for the successful development of the area. The project therefore places particular emphasis on ensuring that the plans for the development of the area will result in social change and tangible benefits for the poor.

Highlights for the year:

- Investment in bulk infrastructure, roads and public utilities in the Cradle of Humankind World Heritage Site;
- Investment in provision of bulk infrastructure for the Sterkfontein and Maropeng sites;
- Completion of construction of the Maropeng and Sterkfontein visitor centres;
- Initiation of PPP feasibility phase for the network of tourism facilities;
- Formal appointment as Management Authority;
- Intragovernmental MOUs with Departments of Economic Development, Agriculture, Conservation and Environment, Sport, Recreation, Arts and Culture, Public Transport, Road and Works, Education and Housing;
- Intragovernmental MOUs with Blue IQ and Gauteng Tourism Authority;
- Intergovernmental MOUs with relevant National departments and Local Authorities.

Table 4: CRADLE OF HUMANKIND PAYMENTS SUMMARY

Subprogramme	2004/05	2005/06	2006/07	2007/08	2008/09
R thousand	Audited Outcome	Adjusted Appropriation	Medium-term estimates		
1 Programme Management	1,844	1,415	1,382	1,500	1,641
2 Physical Infrastructure Management	28,527	36,919	24,851	2,862	2,888
3 Integrated Environment and Conservation Management	523	2,036	3,450	3,500	3,570
5 Tourism and Marketing	2,571	11,238	6,668	4,900	5,210
6 Private Public Partnerships Management	836	8,588	3,070	3,457	3,589
7 Community Benefits	330	1,704	1,091	1,003	1,063
8 Executive Management		2,200	5,857	14,778	14,039
Total Payments & Estimates:					
Cradle of Humankind	34,632	61,955	42,212	32,000	32,000

Dinokeng (North Eastern Gauteng Initiative – NEGI)

Dinokeng has achieved the following during 2005/06:

- The detailed planning for the proposed Dinokeng Game Reserve (DGR) has been done. In this regard, progress includes the following milestones:
- Skills development - the project has facilitated a practical business planning training programme in partnership with various development finance institutions (DFIs) for a group of people from the local communities interested in tourism business enterprises. Furthermore, a comprehensive tourism skills audit in the project area focusing on Roodeplaat, Refilwe, Onverwacht, Kekana Gardens and DGR area has just been completed. The findings of the study will inform a comprehensive tourism skills development and training programme in these communities - which will be conducted in partnership with the local municipalities and other government institutions.
- Infrastructure development - the project has spent a substantial amount of money on tourism infrastructure development i.e. road upgrading and the development of tourism signage in the project area. The project is also talking to various institutions such as Telkom, Vodacom, Eskom, etc to upgrade communication and electricity infrastructure to support tourism development in the project area.
- Marketing and communication - the project has also conducted a comprehensive marketing and communication campaign to promote Dinokeng as a tourism destination to tourists and investment destination to potential investors. The purpose of the campaign is to attract a large number of tourists and tourism investments to Dinokeng in order to develop tourism and create employment opportunities for the local communities.
- Public Private Partnerships (PPPs) – the project is currently conducting feasibility studies for the PPP projects in Cullinan and Roodeplaat. This process is intended to crowd in private sector investment in Roodeplaat and Cullinan in line with the vision of our integrated tourism development framework and the requirements of the National Treasury. The PPPs will also create socio-economic opportunities and benefits (such as BBBEE, SMME development, skills development, etc) for the local communities as per requirements and specifications of the National Treasury.
- The Dinokeng project is also monitoring the development of tourism supply i.e., new tourism attractions in the area, as well as tourism job creation in the project area. Latest information shows that the number of tourism attractions has grown from about 90 in 2003 to about 275 at present; and that over 1,500 people are employed in tourism related jobs in the area. A skills audit report also indicates the needs of the sector and some of the practical constraints experienced by tourism businesses in terms of staff recruitment and training.

Table 5: DINOKENG PAYMENTS SUMMARY

Subprogramme	2004/05	2005/06	2006/07	2007/08	2008/09
R thousand	Audited Outcome	Adjusted Appropriation	Medium-term estimates		
1 Programme Management	1,491	1,333	1,449	1,536	1,628
2 Physical Infrastructure Management	4,183	16,644	24,851	2,500	3,000
3 Integrated Environment and Conservation Management	2,047	6,393	52,672	2,500	21,586
4 Marketing and Communications Management	3,459	2,430	3,330	4,500	5,000
5 Tourism Development Management	265	1,305	1,300	1,500	1,800
6 Private Public Partnerships Management	211	3,520	6,100	23,165	2,000
7 Public Participation Management	651	1,691	2,150	2,500	3,000
8 Executive Management		1,919	1,700	1,870	2,057
Total Payments & Estimates:					
Dinokeng	12 308	25,000	93,552	40,071	40,071

3. OUTLOOK FOR THE 2006/07 MTEF INFRASTRUCTURE PROGRAMME

Automotive Supplier Park (ASP)

The ASP is planning to finalize most of the buildings in the first 2 physical phases with a total of 60 hectares (ha) during the next financial year. This will see an increase in the developed space to in excess of 100,000 m² in total. The increase in job creation will strongly depend on the attracted business, but the development will see another substantial increase.

During the next financial year the service side of the ASP business model is expected to have a positive contribution, still following the model of facilitation of introducing new business and service opportunities. ASP will proceed in archiving

target in access of 50 percent on BBBEE spending on service providers as well as 20 percent on SMME companies. Subject to final decisions by Blue IQ Investment Holdings as well as some strategic agreements with the City of Tshwane, the management and the holding company should have identified additional sources of funding for continued growth and the start of the development of phases 3 to 5 (additional 50 ha) of the project.

Key outputs and service delivery trends

Outcomes

- Infrastructure Development: Implementation of automotive supplier park in Rosslyn area to provide logistical platform for component manufacturers and shorten the supply chain for Original equipment Manufacturers situated in the Greater Pretoria region;
- Industry Growth and Promotion: A coordinated and effective programme for investment and export promotion activities in the automotive industry;
- Improve competitiveness of the automotive industry as a result of world class environment and services in which they can manufacture.

OUTPUTS: ASP

Annual Completion %	Cumulative Annual Milestones				
	2004/05	2005/06	2006/07	2007/08	2008/09
PHASE 1	45%	60%	80%	100%	
PHASE 2	50%	60%	80%	100%	
PHASE 3			Infrastructure	10%	40%
PHASE 4			Infrastructure		10%
PHASE 5			Infrastructure		10%

JOB CREATION: ASP

Category of Infrastructure	Temporary Jobs			Permanent Jobs
	2006/07	2007/08	2006/07	2007/08
New capital	2,514	2,771	1,500	1,500
Operational spending tenants			400	500
Maintenance	50	100	50	100
Total No. of Jobs: ASP	2,564	2,871	450	600

Innovation Hub

The 2006/07 year will see the completion of the new generation of private sector buildings with an estimated R500 million investment. The resident population will increase three fold and will create an enhanced opportunity for interaction between the residents and the adjacent universities and research organizations. The provision of further services of University of Pretoria (UP) library active on the Hub will be strengthened.

New initiatives with the Advanced Manufacturing Technology Strategy Group of Department of Science and Technology/ Council for Science and Industrial Research (CSIR) around the Aerospace Strategy and Fabrication Laboratory (an Massachusetts Institute of Technology initiative) offer good potential to develop cluster interest. It is expected that the full northern phases (1-3) will be sold during 2006/07 and that planning will commence on opening up Phases 4 and 5 in the southern zone. There remains some negotiations on the access road updates with Tshwane Metro and the South African National Roads Agency Limited to ensure that the imposed barrier at 50,000m² occupancy is dealt with and does not delay development. The main upgrade of Hotel Street will be complete in 2006/07 and the abutments for the second lines on the N1 freeway bridge built for later completion.

New agreements with ICT service providers will be implemented to enhance the value added service offerings, and increase the attractiveness of the Hub for high tech development companies to move up the value chain. New partners are being discussed to grow the CoachLab and this will be implemented in 2006/07. Specific attention will continue to be placed on the university and CSIR relationship with Hub residents, and discussions will continue on bringing UP activities onto the Hub.

The completion of further leasehold and sectional titles space, as well as major buildings for companies will generate a vibrant cluster and high-tech value chain and show increasing levels of innovation and economic contribution. A resident population of ± 2,500 is expected by year-end and the INNOV8 community should have increased beyond 5,000 at this

stage. Work with Tshwane Metro will continue to investigate factors to enhance the local high-tech cluster with detailed research if funding applied for from the DTI is approved.

At the end of 2006/07, the Innovation Hub will stand proud as the first internationally accredited Science Park in Africa as a full member of the International Association of Science Parks (IASP). Planning for the 2008 IASP World Conference will be at an advanced stage.

Key outputs and service delivery trends

Outcomes

- Enhancement of Gauteng and South Africa as an internationally competitive investment destination for Research and Development and knowledge-intensive business through the establishment of the first recognized science park;
- Increased levels of knowledge creation, intellectual property and commercialization in Gauteng as the Hub becomes a contributor to the National Research and Development Strategy;
- Increased success rates for high tech small, medium and micro enterprises (SMMEs);
- Increased participation by Black Economic Empowerment enterprises and entrepreneurs in high tech business, supported by pre-incubation and incubation;
- Private and public sector investment in owner-built infrastructure on the Hub;
- Facilitation & growth of a high tech network community innovate in Gauteng.

JOB CREATION: INNOVATION HUB

Category of Infrastructure	Temporary Jobs			Permanent Jobs 2007/08
	2006/07	2007/08	2006/07	
New capital				
- Roads & Bridge infrastructure	1,500	900		
Maintenance & Services:				
- Gardening				
- Security				
- Restaurant			50	60
Residents on Hub			1,100	2,450
Total No. of Jobs: HUB	1,500	900	1,150	2,510

CONTRACTS AWARDED: INNOVATION HUB

	Infrastructure	Operations
SMME		4
BBBEE	3	4
Women		2

SPECIAL PROJECTS

Gauteng Provincial Government (GPG) Precinct

The table below summarises the project's critical milestones:

Milestone	Estimated Due Date
EIA process	February 2006
Feasibility report – revised TA1	January 2006
SAHRA process finalised	December 2005 – January 2006
RFQ process – announce pre-qualified bidders	End April 2006
RFP process- announcement of the preferred bidder	End October 2006
Negotiate with preferred bidder - finalized	Beginning April 2007
Financial close	End April 2007
Construction completed	Mid November 2008
Monitor	Thereafter

The critical outcomes for the 2006/07 financial year will be as follows:

- Finalisation of the RFQ process and prequalification of bidders: The purpose of the RFQ is to allow the province to establish a short list of Pre-qualified Bidders who are experienced and committed organisations that meet the technical, financial and other requirements.
- Finalisation of the RFP process and announcement of the preferred bidder.
- The Request for Proposal documentation contains specific instructions to Bidders that were pre-qualified during the RFQ process and focus on the requirements for the submission of a proposal for the provision of the System. The documentation for the Request for Proposal is currently being prepared. This process will take place once the approvals for demolitions and a Record of Decision have been received from SAHRA and DACE respectively. The announcement by the Premier of the Preferred Bidder and the Reserve Bidder will conclude the RFP process.
- The province will enter into detailed negotiations with the Preferred Bidder. Should the province and the Preferred Bidder fail to conclude a Concession Agreement, the province would then enter into negotiations with the Reserve Bidder.

Summary of Job Creation Estimates

Construction phase: The effect of the Precinct project construction is the creation of a new market or additional demand for buildings and construction materials, manufactured goods, retail trade, business services and goods. The project will have a multiplier effect in the Johannesburg economy. The total direct and indirect job creation during the construction phase is estimated at about 7,900 people that will be employed each year for the duration of the construction period.

Operational phase: will generate new income through rentals and business activities. New business sales generated in the retail, restaurant and entertainment sector implies an overall benefit. The operational phase will create at least 67 direct and indirect sustainable employment opportunities. It is estimated that they would support about 2,747 family members.

Cradle of Humankind

The following is anticipated for the 2006/07 financial year:

- Progress with the development of Public Private Partnerships for the development of 4 visitor orientation centres
- Further investment in bulk infrastructure, roads and public utilities
- Tourism planning, development and destination marketing
- Monitoring of management plans for 13 fossil sites
- State of environment monitoring
- Fundraising
- Implementation of intergovernmental and intragovernmental MOUs
- Progressive implementation of the COHWHs master plan

KEY OUTPUTS AND SERVICE DELIVERY MEASURES: CRADLE OF HUMANKIND

Description of Outputs	Unit of Measure	2006/07	2007/08	2008/09
Physical Infrastructure Management				
Construction of Road D374 from 39-1 to D540	Km of Road 13,6	2,2	5,0	
Pinehaven Intersection SLA in place with Mogale City & DPTRW	Km of Road 7,2			
	Km of Road 5,3	1		
P103-2 (K29) Lanseria Road (DTI) SLA in place with WRDM & DPTRW	Number	1		
Appropriate fossil site infrastructure planned for, permitted and constructed at 4 sites (DAC)	Number	2	1	1
View Site construction (DEAT, DAC, DST)	Numbers			2
Annual update of aerial images (DEAT, DST)	Reports	1	1	1
Signage plan and implementation (GTA, DPTRW)	% Complete	50%	50%	
Public Private Partnership Management (PPPM)				
Contract with the concessionaire managed per annual schedule	Percentage Building	100%	100%	100%
PPP strategy for orientation centers & other facilities	Report	1	1	
TA1 approval for 4 orientation centers' PPP bid	Number	1		
TA2 A&B approval for 4 orientation centers' PPP bid	Number	4		
Management of overall COH WHS Trust, Scientific committee & community benefits trust	Number of meetings	12	12	12
Distribution of COH Trust funds to beneficiaries	Percentage	100%	100%	100%

Description of Outputs	Unit of Measure	2006/07	2007/08	2008/09
Integrated Environment and Conservation Management (IECM)				
Best environmental practice is reflected in all COH programs (karst, energy, waste, visitor facilities, tourism, housing)	Percentage	100%	100%	100%
State of Environment Report for the Cradle	Reports	1	1	1
Revised Land Use Plan and municipalities' town planning schemes compliant	Reports	1	1	1
Implementation and monitoring of 13 fossil site management plans and agreements	Number of fossil sites/plans managed	13	13	13
Agreements with key stakeholders (scientific community, SARHA, fossil site landowners, government)	Number of agreements	2	2	2
Engagement with other IECM stakeholder bodies (NGOs)	Number	4	4	4
Negotiation of fossil site management agreements to reflect change of ownership	Percentage	100%	100%	100%
Community Benefits				
Stakeholder briefings	Meeting	5	5	5
Inter-governmental co-ordination meetings	Meetings	6	6	6
Signed MOU with DLA and Housing and Local Councils	Agreements	2		
Community development projects	Projects	4	4	4
Tourism & Marketing Management				
MOU with GTA	Number	1		
Specific destination marketing of the COHWHS area	Percentage	100%	100%	100%
Tourism supply research studies	Report	2	2	2
Education: Development of workbooks for intermediate and senior phase	Number of workbooks	1	1	

Dinokeng

The following are activities envisaged for the 2006/07 financial year:

- Finalisation of agreements for the establishment of Dinokeng Game Reserve, completion of construction of boundary fencing, and initial stocking of game
- Request for proposals – PPPs – Cullinan Jewellery Precinct
- Request for proposals – PPPs – Roodeplaat
- Completion of Road P2-5
- Implementation of tourist information strategy
- Destination marketing campaign
- Skills development programme
- Further expansion of poverty alleviation projects
- Implementation of fundraising strategy
- Implementation of intergovernmental and intra-governmental MOUs

KEY OUTCOMES: DINOKENG

Description of Outputs	Unit of Measure	2006/07	2007/08	2008/09
Infrastructure Management				
Investment facilitation to provide for bulk infrastructure development (e.g. critical infrastructure funding from DTI)	Agreements with relevant role players	1	1	1
Set up of road side information kiosks	Number of kiosks, Gautrans specifications	5	5	5
Provision of electricity and telecommunications to Dinokeng Game Reserve, Cullinan and Roodeplaat hubs	Agreements with Service Providers	2	1	1
DGR road access control	Agreements with Gautrans, SANRAL, Bakwena, Limtrans, Metsweding	1	1	1
Upgrading of tourist routes with Department of Public Transport, Roads and Works (Gautrans)	Rehabilitation of road P2-5 according to Gautrans specifications: kilometres	13,9		
Integrated conservation and environmental management: Dinokeng Game Reserve Development				
DGR infrastructure development for Phase B: Fencing	Kilometres		150	
DGR infrastructure development for Phase B: Upgrading of internal roads	Kilometres		100	
DGR infrastructure development for Phase B: Gates	Number		2	
DGR infrastructure development for Phase A&C: Fencing	Kilometres	250		

Description of Outputs	Unit of Measure	2006/07	2007/08	2008/09
DGR infrastructure development for Phase A&C: Upgrading of internal roads	Kilometres	50		
DGR infrastructure development for Phase A&C: Gates	Number	5		
Dinokeng Game Reserve funding agreements finalised for Phase B (land, game, infrastructure, operational costs)	Agreements		1	
Marketing and Communications Management				
Manage promotional events, including joint tourism marketing with Limpopo, Mpumalanga and municipalities	Number of events	3	3	3
Funds to be provided by Limpopo and Mpumalanga provincial governments for cross-border areas in terms of agreements to be finalised	Average value of media coverage per month	R500,000	R700,000	R1 million
Advertising, public relations and materials	Small media productions (e.g., brochures, maps, posters, information boards)	3	3	3
Tourism destination marketing and promotion	Percentage awareness of Dinokeng as tourism destination amongst Gauteng adult population	15%	35%	55%
Public Private Partnerships Management				
Investor events	Number of events	1		1
Bidding process and implementation of tourist nodes	Nodes			4
Bidding process and implementation of Cullinan hub	Treasury approval	TA1, TA2A and TA2B	TA3	PPP contract (Ongoing)
Bidding process and implementation of Rodeplaat hub	Treasury approval	TA1, TA2A and TA2B	TA3	PPP contract (Ongoing)
Tourism Development Management				
Tourism demand research with GTA	Reports	1	1	1
Tourism supply research	Reports	2	2	2
Tourism investment research	Reports	1	1	2
Grading and registration of product owners with regulatory bodies promoted with GTA and Tourism Grading Council of South Africa (TGCSA)	Number of products registered annually	25	50	50
Interpretive displays developed at community centres to support themed tourism routes (DAC)	Number	2	2	2
Tourism SMMEs trained and established with Gauteng Tourism Authority (GTA) and Department of Trade and Industry (DTI)	People trained	10	25	25
Tourism support programme implemented with Gauteng Tourism Authority (GTA), Tourism Hospitality and Sport Education Training Authority (THETA), Tourism Enterprise Programme (TEP), Tourism Business Council of South Africa (TBCSA) and other agencies	People trained	150	150	150
Dinokeng tourism institutions established and supported with Gauteng Tourism Authority (GTA) and municipalities	Number	3		
Public Participation and Community Benefits Department of Housing	Agreements	1		
Stakeholder relations (inclusive of engagements in terms of MOUs with national, provincial and local government, and agencies, involving managers during the year)	Meetings	48	48	48
Monitoring and Evaluation	Annual report	1	1	1
Social impact assessment	Report	1	1	2
Skills development and training programmes	People trained	200	250	300

4. CONSOLIDATED INFRASTRUCTURE DETAIL FOR THE VOTE

Table 6: SUMMARY OF INFRASTRUCTURE BUDGET BY CATEGORY FOR 2005/06 – 2008/09

R thousand	2005/06			2006/07	2007/08	2008/09
	Main Appropriation	Adjusted Appropriation	Revised estimate	Medium-term estimates		
New Construction	290,698	332,698	332,698	265,550	187,550	448,600
Rehabilitation/Upgrading				30,825		
Total Infrastructure: Vote 3	290,698	332,698	332,698	296,375	187,550	448,600

Category of Infrastructure: By Municipality

R thousand	Category of Infrastructure	2006/07	2007/08	2008/09
		Medium-term estimates		
Tshwane	New Construction	128,000	130,000	170,000
	Rehabilitation/ Upgrading	7,000		
Metsweding	New Construction	55,000	2,000	27,500
	Rehabilitation/ Upgrading	23,825		
West Rand	New Construction	11,550	11,550	82,100
City of Johannesburg (CoJ)	New Construction	71,000	44,000	169,000
Total Infrastructure: Vote 3		296,375	187,550	448,600

Table 7: SUMMARY OF JOB CREATION ESTIMATES FOR 2005/06 – 2008/09

Infrastructure category per project	2006/07	2007/08	2008/09
BLUE IQ			
New Construction	4,015	3,671	2,900
Rehabilitation/ Upgrading	200	210	230
Total No. of Jobs: Blue IQ	4,215	3,881	3,130
DINOKENG			
New Construction	440	210	740
Rehabilitation/ Upgrading	50	450	
Total No. of Jobs: Dinokeng	490	660	740
CRADLE OF HUMANKIND			
New Construction	250	70	600
Total No. of Jobs: Cradle of Humankind	250	70	600
PRECINCT			
New Construction - Precinct			4,000
Rehabilitation/ Upgrading- Precinct			3,900
Total No. of Jobs: Precinct	5,800	0	7,900
Total No. of Jobs: Vote 3	4,955	4,611	12,370

Table 8: Detail of 2006/07 Estimates of Project Infrastructure expenditure by category

NEW CONSTRUCTION

Municipality	No	Project Name	Project Description	Project type	Project Duration		Project cost		Project Status	Prog	MTEF 2006/07 R'000	MTEF 2007/08 R'000	MTEF 2008/09 R'000
					Start Date	Completion Date	At start	At Completion					
Tshwane	1	Automotive Supplier Park (ASP) / Mini Factory E	Factory	Extension	11/01/2005	31/01/2006	13,500	13,500	Planning		13,500		
Tshwane	2	ASP Mini Factory F	Factory	Extension	01/01/2006	31/09/2006	14,000	14,000	Planning		14,000		
Tshwane	3	ASP Mini Factory K	Factory	Extension	01/01/2006	31/03/2007	36,000	36,000	Planning		36,000		
Tshwane	4	ASP Mini Factory N	Factory	New	04/01/2006	31/12/2006	50,000	50,000	Planning		50,000		
Tshwane	5	ASP Mini Factory H	Factory	New	07/01/2006	31/03/2007	14,500	14,500	Planning		14,500		
Tshwane	6	ASP Mini Factory H	Factory	New	04/01/2007	31/03/2008	130,000	130,000	Planning			130,000	170,000
Tshwane	7	ASP Mini Factory H	Factory	New	04/01/2008	31/03/2009	170,000	170,000	Planning			130,000	170,000
Subtotal Tshwane New Construction													
Metsweding	1	Dinokeng Game Reserve	Game Reserve infrastructure	Construction	01/04/2005	01/04/2007	55,000	55,000	New Proposed		55,000	2,000	25,000
Metsweding	1	Dinokeng Tourism signage	Road / kiosks	Signage								2,000	2,500
Subtotal Metsweding New Construction													
West Rand	1	Cradle: Construction of Road D347 from 39-1 to D540	Road Construction	Physical Infrastructure	30/04/2006	30/03/2007	23,100	23,100	Planning	1	11,550	11,550	
West Rand	2	Cradle: Construction of viewpoints and signage	Construction of viewpoints and signage	Physical Infrastructure	01/03/2009	30/04/2009	2,100	2,100	Planning	1			2,100
West Rand	3	Cradle: Construction of Orientation centres	Orientation centres	Physical Infrastructure	01/03/2009	30/04/2009	80,000	80,000	Planning	1			80,000
Subtotal West Rand New Construction													
Col	2	Precinct	Head office accommodation to GPG in the Col including the creation of an open public space & parking	Renewal	01/04/1999	01/11/2008	1,800,000	1,500,000	Pre-tender	7	71,000	44,000	169,000
Subtotal City of Johannesburg New Construction													
TOTAL NEW CONSTRUCTION													
											265,550	187,550	448,600

REHABILITATION / UPGRADING

Municipality	No	Project Name	Project Description	Project type	Project Duration		Project cost		Project Status	Prog	MTEF 2006/07 R'000	MTEF 2007/08 R'000	MTEF 2008/09 R'000
					Start Date	Completion Date	At start	At Completion					
Tshwane	1	Innovation Hub	Hotel Street	Road upgrade	04/01/2006	30/09/2007	12,000	12,000	Planning		7,000		
Subtotal Tshwane Rehabilitation / Upgrading													
Metsweding	1	Dinokeng	Road P2-5	Road Rehabilitation	01/09/2005	01/03/2007	40,325	40,325	Active		7,000	0	0
Subtotal Metsweding Rehabilitation / Upgrading													
											23,825	0	0
											23,825	0	0
TOTAL REHABILITATION / UPGRADING													
											30,825	0	0
TOTAL INFRASTRUCTURE													
											296,375	187,550	448,600